

Nebraska Grape and Winery Board

Annual Report 2018

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**BOARD
OF
DIRECTORS**

Nebraska Grape and Winery Board of Directors

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Bart Holmquist (Vice-Chair)Vineyard Owner
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Dave HannaVineyard Owner
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Ex-Officio Members

Casey Foster
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OVERVIEW OF ACTIVITIES

EXECUTIVE SUMMARY

The Board of Directors held two meetings during the fiscal year. The year began July 1, 2017, and ended June 30, 2018. Emphasis was placed on supporting marketing and promotional activities and conducting research to assist in the betterment and development of Nebraska's grape and wine industry.

Board revenue originates from shipper license fees, crushed grape fees, and grape excise taxes. Revenue from these sources is remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund. As in previous years, the revenue over the past several years has enabled the board to fund several meaningful projects aimed at enhancing the competitiveness of Nebraska's grape and wine industry. Priority funding was given to marketing and research projects targeted at increasing the sales and production of Nebraska grapes and/or wines. The projects approved for funding totaled \$319,616; \$229,949.86 of this amount was submitted to the Nebraska Department of Agriculture (NDA) for reimbursement. For a complete list of all projects, and their respective amounts, please refer to the fiscal report found in this report.

Promotion of Nebraska's grape and wine industry continues to be a primary goal of the board. The board helps the grape and wine industry in becoming a strong and important part of Nebraska's thriving economy. They stay abreast of recent legislation affecting Nebraska's grape and wine industry, support Nebraska Winery and Grape Growers Association (NWGGA) activities, and work closely with the University of Nebraska – Lincoln to receive guidance and education based upon industry research.

This Annual Report includes the board's strategic plan, meeting minutes, 2017- 2018 fiscal report, contracts, statutes, and other documents pertaining to board matters. Documents and information pertinent to the board's functions and history can also be found at <http://www.grapeandwineryboard.nebraska.gov>.

STRATEGIC PLAN

NEBRASKA GRAPE AND WINERY BOARD

STRATEGIC PLAN

APPROVED

MAY 2017

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Nebraska Grape and Winery Board Strategic Plan

Introduction and Process

This Strategic Plan marks the second plan developed by the Nebraska Grape and Winery Board (NGWB) since its inception in 2000. The Board of Directors, in collaboration with the Nebraska Department of Agriculture, developed this Strategic Plan. It provides the NGWB with a three to five year road map, guiding the board's decision and prioritization of issues upon which to focus efforts and resources. This Plan is intended to be a living, dynamic document subject to change or modification with new and/or additional input and the evolution of the industry and, thus, the board's vision. The board will review progress and update the plan annually or as needed. It is the intention of the board to, on an annual basis, identify priority items, actions, or objectives from each of the sections of this Strategic Plan to formulate the board's "Business Plan" for the year. This annual plan becomes the roadmap to guide and focus the board's efforts in the development of annual goals for implementation.

Structure

The board began by revisiting and reaffirming their belief in the Mission of the NGWB, which was first developed in the 2010 Strategic Planning process.

The Mission is followed by major areas of emphasis (Goals), which the board has identified. When it comes to prioritization, all five of these Goals are concurrently considered with equal and continuous focus of this board. However, when it involves board- funding allocation, the board has committed to Goal #1 as its highest priority. Additionally, each goal contains one or more specific action items or objectives. It was determined by the board that these objectives would not be prioritized. Instead, these objectives will be reviewed annually and potentially expanded upon to be considered in the board's annual prioritization process.

This document is not intended to be a stand-alone document nor is it a one-time effort. Once action strategies have been developed and implemented, commitment will be maintained, progress monitored, and adjustments made until the objectives have been reached. This plan demonstrates the commitment that is needed to provide an excellent standard of programs and budget allocations designed to continuously meet the needs of the industry.

Finally, this document functions within the greater context of additional entities and initiatives that impact the Nebraska grape and wine industry. This framework may be reflected in future Appendices attached to this document. Examples include, but are not limited to, the Nebraska Winery and Grape Growers Association's (NWGGA) Strategic Plan (2016), the most recent Industry Economic Impact Study (2015), and the Nebraska Grape Growers Survey.

Mission

The NGWB's Mission statement is to work collaboratively towards a profitable, sustainable future that advances the interests of Nebraska's grape and wine industry through advocacy and education.

The purpose of the NGWB is to further the growth and economic development of the grape-growing and winemaking industry in the state of Nebraska to a maximum level as supported by the favorable soil and climatic conditions existing in Nebraska and to satisfy the market demand for grapes and wine inside and outside of Nebraska. The end objective is to create an economically viable value-added alternative farm crop and wine industry in Nebraska that will enhance the economic condition of the farm industry and the state of Nebraska.

The duties and responsibilities of the NGWB include, but are not limited to, the following:

- a. Establish a public forum whereby any producer of wine, grapes, or other wine-producing agricultural products has the opportunity, at least once annually, to discuss with the board its policy and procedures;
- b. Keep minutes of its meetings and other books and records which will clearly reflect all of the acts and transactions of the board and to make these records available for examination upon request by members of the public;
- c. Authorize and approve the Department of Agriculture's (NDA) expenditure of funds collected pursuant to section 53-304;
- d. Serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and
- e. Adopt and promulgate rules and regulations to carry out sections 53-301 to 53-305.

Board Goals

I. Industry leadership/management

Several goals of this Strategic Plan are dependent upon a strong collaborative relationship between the NGWB and the "action arm" of the state industry. This includes the NWGGA, which is the association that exclusively represents the Nebraska wine and grape industry. The accomplishment of these goals is not feasible without the continuity and consistency of vision across years of changing leadership of the state's industry. Supporting and funding NWGGA's Executive Director position is the board's highest priority.

II. Promotion of Nebraska wines

Promotion aims to establish a significant and differentiated presence in the market that attracts and retains loyal customers. It is the process involved in creating a unique name and image for a product in the consumer's mind, mainly through advertising campaigns with a consistent theme. This is accomplished by raising the

Nebraska wine industry, and, thus, Nebraska wines, to a level of becoming knowable, likable and trustable.

Objectives:

1. Increasing the Marketability, Awareness and Accessibility of Nebraska Grapes and Wines

Strategies:

- a. Serve as an advocate for the industry.
 - b. Develop brand recognition for Nebraska wines.
 - c. Cooperation with the NWGGA to conduct intensive marketing strategies to promote the quality and value of Nebraska wines.
2. Encourage Wine Tourism
 - a. Encourage wine related tourism developments by working with the Nebraska Tourism Commission.

III. Sustainability

This goal is all about assuring the capacity of the grape and wine industry to remain vibrant and robust through the enology and viticulture components. Sustainable development of the industry is “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (UN World Commission on Environment and Development, 1987). Sustainability in the vineyard encompasses a whole host of topics including, but not limited to, cold climate grape cultivars, plant science, soil type, soil amendments, pest and weed control, irrigation, trade enhancements, food safety, best management practices, crop research, and conservation methods. Sustainability also pertains to wine quality. Winemakers will tell you that outstanding wine is made on the vine. However, when it comes to getting the “wine into your glass, it’s all about the winery” (Borg, 2013).

Objectives:

1. Enhancing the Quality of Wines

Strategies:

- a. Implement measures aimed at building a strong, vibrant industry that includes the production of world-class wines made from world-class grapes.
- b. Develop a Quality Assurance process based on industry standards to identify quality wine, improve winemaking practices and continue to raise the quality of wine across the entire state industry.
- c. Identify exceptional wines to create awareness of the quality of Nebraska wines with consumers while promoting the best of the Nebraska wine industry.
- d. Support education opportunities to improve winemaking skills and processes.

2. Enhancing the Quality of Grapes

Strategies:

- a. Address threats to the grape growing industry (e.g., herbicide drift, resistant pesticides, climate conditions, etc.).
- b. Support education opportunities to improve cold climate cultivar selection, growing techniques, and management practices.
- c. Identify cost-effective strategies to improve the value/benefits of Nebraska grapes and wines.
- d. Survey growers and winemakers to determine which grapevine cultivars appear to be most profitable and successful.
- e. Determine hardy grape cultivars adaptive to Nebraska's soils and climate extremes.

3. Education: Promote the creation and discovery of new production practices by funding various projects and activities.

- a. Attend educational conferences.
- b. Fund research projects.
- c. Disseminate research findings to the public.
- d. Support and partially fund grower field day and conferences.
- e. Solicit and fund proposals to enable industry partners to enhance programs and the industry.
- f. Continue as an active partner with the NWGGA, which works to develop and organize the annual Association Education Conference.

4. Develop a culture of continuous improvement:

- a. Engage the board to develop and annually review and renew the Strategic Plan every three years (or more frequently as needed).
- b. Gain industry feedback and advice and identify areas for constructive improvement.
- c. Analyze other state-based farmer organizations and non-profit membership associations.

IV. Maintaining Financial Viability and Revenue of the Grape and Winery Board

Crushed juice fees, grape excise taxes, and shipper license fees are the three primary sources from which the board obtains its revenue. For administrative purposes, these funds are located in NDA. All revenue credited to the fund pursuant to the charge imposed by this section and excise taxes collected pursuant to section 2-5603 and any funds received as gifts, grants, or bequests and credited to the fund is used by NDA at the direction of and in cooperation with the board, to develop and maintain programs for the research and advancement of the growing, selling, marketing, and promotion of grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry. Such expenditures may include, but are not limited to, all necessary funding for the employment of experts in the fields of viticulture and enology, as deemed necessary by the board, and programs aimed at improving the promotion of all varieties of wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Funds credited to the fund shall be used for no other purposes than those stated in this section and any transfers authorized pursuant to section 2-5604. Any funds not expended during a fiscal year may be maintained in the fund for distribution or expenditure during subsequent fiscal years. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

The responsibilities of the board have increased largely due in part to the number of projects funded each year. In an effort to enhance the accountability and reporting requirements of board-funded projects, the board allocates money to pay the salary of a part-time clerical assistant to assist with board duties. This individual is under the direction of the NDA.

Objective:

1. Investigate and implement programs utilizing diversified funding sources that continue to build and grow Nebraska's grape and wine industry.

Strategies:

- a. Develop a financial plan.
- b. Formalize, enhance and evaluate board-funded projects from one year to the next.
- c. Review income performance on a monthly basis and develop a strategy to enhance financial relationships and secure board revenue.
- d. Review existing financial processes and identify new and improved approaches to identify and explore cost savings.
- e. Prepare and position NGWB to fund ideas towards new research and different marketing strategies that will benefit the entire grape and wine industry, in general, and not a particular business venture.
- f. Expend approximately 70 percent of NGWB annual revenue on meaningful projects aimed at improving grape and wine research and promoting the entire industry.
- g. Collect and compile final reports in a timely manner from board-funded projects.
- h. Evaluate the efficacy of final reports as to how they relate to the Strategic Plan.

V. Collaboration/Communication

Today, global success is won not by firms acting alone, but by partnerships that promote joint planning, information sharing, open communication, collaboration and cooperation. A central challenge for the Nebraska wine industry is to continue cooperation and financial support to the NWGGA, which has been a pillar of strength for Nebraska's grape and wine industry. This partnership entails balancing individual mandates with the opportunities for promotion and research. This goal involves the board advocating for the industry, with entities both within the industry and those external to the industry.

Objectives:

1. Encouraging Wine Tourism
 - a. Encourage wine related tourism developments by working with the Nebraska Tourism Commission and the NWGGA.
2. Stay abreast of recent legislation and recent developments affecting Nebraska's grape and wine industry.
 - a. Maintain, increase and improve relationships with local, state, and federal lawmakers.
3. Maintain and increase NGWB agricultural partnerships
 - a. Define industry needs and develop cost-effective strategies to improve value/benefits across all members.
 - b. Survey, evaluate, and develop a database of Nebraska grape growers and wineries.
 - c. Establish, maintain and update a list recording the total grape acreage and number of vines (variety specific) planted in Nebraska.
 - d. Engage into close working relationships with NDA, UNL, NWGGA and other entities or organizations that impact Nebraska's agricultural industry, (grape and wine industry in particular).
4. Advocacy
 - a. Increase awareness of the Nebraska grape/wine industry with entities both within the industry and those external to the industry.
 - b. Monitor and review the efficacy of the NGWB website on a monthly basis.
5. Make and publish an annual report on or before January 1 of each year, which sets forth, in detail, several items:
 - a. The name and address of each board member and a copy of all rules and regulations adopted and promulgated by the board.
 - b. A detailed explanation of all programs for which the board approved funding that fiscal year, pursuant to section 53-304, for the research, discovery, promotion, and development of programs for the growing, production and marketing of Nebraska wines, grapes,, fruits, berries, honey and other agricultural product and their byproducts grown and produced in Nebraska for use in the wine industry.
 - c. Present the report to the Nebraska Liquor Control Commission within 30 days after its publication and made available also to any persons who request a copy.

Monitor and Update the Plan

This strategic framework is a plan of optimism and opportunity for all stakeholders in the industry, and is grounded in the realities facing the industry today. It identifies how the grape and wine industry can maximize long-term profitable growth in the industry, reinvent consumer's total experience with Nebraska wines, and increase tourism. The success of this plan hinges on industry partners embracing and sharing this vision and transforming the above strategies into key deliverables.

Consequently, each participant in the vision must assume responsibility, which includes assigning the resources needed to fulfill the promise that is shared by this board. Nebraska wines are a source of passion and pride, and perhaps the most important indicator of success is positive feedback from grape growers, wineries, scientists, and wine enthusiasts. Positive feedback from consumers and the growing reputation of Nebraska wines is sure to soar the industry to new heights.

This strategic framework provides the foundation stones for achieving long-term profitable growth. This document is subject to change with new and/or additional input. Commitment will be maintained, progress will be monitored, and adjustments will be made until the objectives are reached.

The Board's Commitment

The appointed leaders of the NGWB agree to the above stated principles and actions to accomplish the objective of keeping the industry strong, vibrant, and productive. The board accepts these responsibilities and roles of proactive leaders with a common goal and vision to secure the future of the board. All five board members and the two ex-officio members have a copy of this plan. Copies are also available to industry stakeholders, upon request.

Conclusion

The grape and wine industry in Nebraska is poised for greatness. The destination is clear. People at every level in the industry including growers, winemakers, academia, government, and marketers have assembled together ready to adapt this focused plan with the concerted, cooperative action needed to win a prosperous future for Nebraska wines.

MEETING MINUTES

Nebraska Grape and Winery Board Meeting Minutes
Chances “R” Restaurant & Lounge
124 W 5th St
York Ne 68467
November 29, 2017
6:00 p.m.

Board Members Present: Max McFarland, Chair
Bart Holmquist, Vice Chairman
Terry Ryan, Secretary/Treasurer
Dave Hanna
Ellen Burdick-via video

Ex-Officio Members Present: Casey Foster, Nebraska Department of Agriculture
Board Services Contractor Present: Ruth Anderson

Professor Paul Read, UNL – Lincoln
Lori Paulsen, NWGGA Executive Director
Theresa McFarland, President NGWWA

Call to Order

Max McFarland called the meeting to order at 6:00 p.m.

Roll Call

Present: Max, Bart, Dave, Terry, and Ellen

Open Meetings Act

Public notice of this meeting was published in
The Norfolk Daily News 11/15/17, Star Herald 11/14/17, North Platte Telegraph 11/16/17,
Beatrice Daily Sun 11/15/17 and Grand Island Independent 11/16/17

Approval of Agenda

The agenda was reviewed by the Board. David made a motion to approve the agenda, Terry second the motion. Roll call. Motion carried.

Approve Minutes of May 9, 2017 Meeting

Ellen made the motion to approve the minutes. Terry second the motion. Roll call. Motion carried.

Public Comments

There were no public comments.

Activity updates were presented from the NWGGA with Lori Paulsen and UNL with Professor Paul Read. Details of their updates are attached at the end of these minutes.

Old Business

The Annual Report was presented. Terry made a motion to approve the Annual Report with 70 copies made and distributed, Dave second the motion. Roll call. Motion carried.

Nebraska Tourism Commission update with Karen Kollars. Report attached

New Business

Casey handed out the fiscal year-end report for 2016-2017. Bart made a motion to approve the fiscal report, Terry second the motion. Roll call. Motion carried.

The November 2017-18 fiscal report was presented. Terry made a motion to accept the report. Bart second the motion. Roll call. Motion carried.

Discussion was held on the allocation of the available funds. Dave made a motion to allocate money to NWGGA and UNL to complete projects started and expenses incurred. Terry second the motion. Roll call. Motion carried.

Reappointment of Nebraska Grape and Winery Board members will be up for renewal in June of 2018 for a three-year term.

Other Business

Request for Proposals applications will be sent out by March 1st and due by email or postal service to Ruth by May 1, 2018

The next board meeting will be decided later.

Adjourn

Bart made a motion to adjourn the meeting, Terry second the motion. Roll call. Motion carried. The meeting adjourned at 9:00 p.m.

NWGGA Report to the Nebraska Grape and Winery Board

November 29, 2017

NWGGA Operations/Executive Director – 18-13-281

\$90,000 – projected year end spending=\$90,000

These funds are used to provide for operational costs for the NWGGA as well as to provide for an Executive Director. These funds allow the Association the needed staff to complete other Grape Board projects like Vindemia and Toast Nebraska as well as other grants.

Wine America - 18-13-283

\$10,000 – projected year end spending \$9,000

These funds are used to provide for the NWGGA Executive Director to travel to both the fall Wine America Meeting and the Spring Wine America meeting being held in Washington DC in February 2018, in conjunction with BevEx.

NWGGA Executive Director Lori Paulsen traveled to the Wine America meeting held November 9-10, 2017 in Napa, CA. She participated in the Wine America meeting where national legislative updates were provided and discussions were held regarding WineAmerica membership. In addition, the State and Regional Association Advisory Council meeting was held, and Lori Paulsen was tapped as Vice Chair. She also participated in the discussions of state legislative priorities from other states which will assist the NWGGA in understanding how other states are operating and borrowing ideas from these actions.

Marketing - 18-13-282

\$35,000 – projected year end spending \$35,000

Add \$4500

Note: 2018 Passport \$6500

Anticipated Prizes for 2017 - \$12,000

Remaining \$21,000

This project provides for the prizes for the 2017 Nebraska Wine Passport Program as well as production and distribution of the 2018 Passport. The Passport continues to drive traffic to the participating wineries and tasting rooms.

Additional marketing projects will be proposed to the NWGGA for execution in 2018 as part of the overall marketing project.

Wine QA – 18-13-331

\$10,000

Work had begun with Dr. Stephen Menke of Colorado regarding Quality Assurance in past years. This program will allow for the program to continue. Work will begin in early 2018.

Toast Nebraska – 18-13-333

\$10,000

These funds will be used for the deposit of the space at Vala's Pumpkin Patch for the June 8-9, 2018 Wine Festival, Toast Nebraska. We are anticipating approximately 20 wineries to participate in this all Nebraska Wine festival attracting about 3,000 people to celebrate Nebraska Wine.

Vindemia 2017 – 18-13-332

\$10,000 – projected year end spending=\$10,000

These funds are being utilized to pay for the travel expenses and stipends for the speakers at Vindemia 2017, which was held October 22-24 in Nebraska City. Nearly 140 people participated in this first-time event, along with 28 exhibit booths.

University of Nebraska Viticulture Program Interim Progress Report to the Nebraska Grape and Wine Board, meeting November 29, 2017, York Nebraska

Grape Ripening Based on Growing Degree Days

Probably the most important and challenging viticultural decision a grower/wine maker is faced with is assessing grape maturity, predicting potential wine quality and harvesting at the most optimal time. Decisions such as whether to delay harvest until the desired quality parameters are reached or take chances on weather, shatter, wildlife or insect infestation or diseases such as fruit rot need to be assessed before a plan is made. Overall ripeness evaluation involves much more than an analysis of °Brix, titratable acidity and pH; and many winemakers use flavor/aroma assessment in addition to the routine standards. In order to reach these ideal goals, one should be aware of environmental conditions. The one that we are focusing on is Growing Degree Days (GDD). While it would never be recommended that this would be your only harvest guide, it can be a very helpful in gauging the approximate range of dates for harvest. Looking back on several years of GDD data combined with an ideal list of key parameters by cultivars and desired wine style provide insights into prediction of harvest timing. Information such as this can be helpful in evaluating when to start testing samples and deciding how long is acceptable to let fruit hang. It can also be helpful in planning in advance based on extended weather forecast as to when you could expect to harvest and schedule accordingly. One example follows for Marquette grapes harvested in 2017. Data are also available for LaCrescent, Brianna, Petite Pearl, Frontenac, Frontenac Gris, Maréchal Foch, Edelweiss, Prairie Star, Lacrosse and others, and for several previous years.

Marquette	Date	Brix	pH	GDD
	8/9/2017	20.25	2.6	2212
	8/14/2017	19.7	2.75	2297
	8/18/2017	22	3.4	2376
	8/22/2017	24	3.25	2462
	8/26/2017	24.25	3.35	2543
Harvest	8/29/2017	26	3.46	2554

Regional Tailgates

This year we decided to try the idea of regional tailgates as an alternative to more conventional all-day traditional field days. This is an approach that the Viticulture professionals in New York's Finger Lakes region have used to great success. One of the advantages of tailgates is that because they are held late in the day, it usually means an escape from blistering summer heat. Also, by having them in different parts of the state, it is possible for local growers and grape and wine enthusiasts to attend after working at their day job. Tailgates also work well for winery personnel, since having the tailgates during the week avoids conflicting with weekend winery events that usually are an important part of winery cash-flow. We held four tailgates this last summer in different parts of the state. The first tailgate was at Ron Heskett's vineyard south of Brownville, the second one was at Henry Prokop's vineyard north of Wilber, the third one was at Nick Ryan's (Prairie Creek Vineyard), Central City, and the fourth was at Steve Gibson's vineyard in Paxton. We will use this approach to educational events again in 2018, again scheduling in different regions of the state.

Table Grape Production in High Tunnels and Controlling Climate Variability:

Growing table grapes in a high tunnel is being investigated to lengthen the growing season and improve visual quality and flavor appeal of the fruit. In addition, a high tunnel provides protection from late spring frost, excess precipitation, hail, birds and insects.

The first year of this project focused mainly on the construction of the high tunnel, trellis system installation and the planting of the grapevines. The high tunnel was built in the UNL East Campus Horticulture garden in Lincoln, Nebraska. In the late winter and spring of 2017, the high tunnel construction began and continued all summer and into the fall. In the midst of construction, the vines were planted in the late spring and construction of the trellis followed soon after. The grapes chosen for this project were 'Canadice', 'Somerset Seedless', 'Marquis', 'Thomcord' and 'Mars'. These specific cultivars were chosen based upon their anticipated ability to grow in the Nebraska climate, popularity amongst growers and consumers, and their disease and insect tolerance.

Annual Conference: The 20th Annual Winery and Grape Growers Forum and Trade Show took place March 2-4, 2017 at the Omaha Marriott Hotel, Omaha, Nebraska. This conference was the final time for the University of Nebraska Viticulture Program to plan and organize this educational event and represented a "transition" to hand off this program to the Nebraska Winery and Grape Growers Association (NWGGA). This transition is timely and is a measure of the growth and maturation of Nebraska's grape and wine industry. Conducting such conferences in most other states with substantial grape and wine industries is handled by the professional associations affiliated with those industries, so this transition is a natural indication of the success of Nebraska's grape and wine industry and the professional growth of the NWGGA.

Extension Publications:

G2279 – Grape Growing for the Home Garden (NebGuide)

G2289 – Growing Commercial Wine Grapes in Nebraska (NebGuide)

Nebraska VineLines - a periodic email newsletter sent to over 300 recipients – five issues to date (11/29/17)

Research Publications:

Read, Paul E. and Benjamin A. Loseke. 2017. Creativity in Micropropagation: An overview of the AEMP/PEMP story and thoughts on what the future will bring? *Acta Horticulturae* (Invited, reviewed and accepted research manuscript).

Bavougian, Christina and Paul E. Read. 2017. Mulch and ground cover effects on soil temperature and moisture, surface reflectance, grapevine water potential, and vineyard weed management. *Biological Agriculture & Horticulture* – Manuscript ID TBAH-2017-0336

Paparozzi, Ellen T., George E. Meyer, Vicki Schlegel, Erin E. Blankenship, Stacy A Adams, M. Elizabeth Conley, Ben Loseke and Paul E. Read. Strawberry cultivars vary in productivity, sugars and phytonutrient content when grown in a greenhouse during the winter. *Scientia Horticulturae* 227:1-9.

Morrison, Donna, Erin Blankenship, Paul E. Read and Ellen T. Paparozzi. 2017. Stolon Development and Cultural Production Practices of Winter-grown Strawberries. *Intl J. Fruit Science* (Reviewed, Conditionally Accepted pending minor revisions).

Team Hatch Project, Paul E. Read Director. 2017. Project Title: Diversifying Farm Income through Alternative and Horticultural Specialty Crops Research. Approved through the University of Nebraska's Agricultural Research Division and USDA-NIFA, August 15, 2017 as NEB-22-391.

Teaching:

HORT/HRTM/NUTR 471/871 – Vines, Wines and You, 3 credits - Spring Semester, two sections, total 75 students; Fall Semester – one section, 47 students

HORT 352 - Physiology of Horticultural Crops (2 credits, team-taught with Dr. E. T. Paparozzi), Fall Semester – 12 students

HORT 353 - Vegetable Crops Laboratory (2 Credits), Fall Semester – 12 students

HORT 354 – Fruit Crops Laboratory (2 credits) – 14 students

Further Notes:

University of Nebraska Viticulture research has continued to focus on topics of concern to grape growers, including canopy management, disease and pest identification and prevention, optimizing trellis systems, weed management, herbicide drift problems and their prevention/management, cultivar and new genotype evaluation* and vineyard floor management. The latter topic is addressed in the next page by a report of a four-year study of ground covers and cover crops on a commercial cooperator's vineyard near Raymond, Nebraska.

*Newly identified selections from grape breeding programs and from private breeders are continually being tested, with additional new genotypes to be planted in University of Nebraska Viticulture Program research vineyards in 2018. Recent examples include 'Itasca', a dry white wine type from the University of Minnesota breeding program that will be in its third growing season in 2018 and should produce a modest crop that can be tested for quality parameters such as degrees Brix, pH and titratable acidity. Likewise, TP 1-1-12 from private breeder Tom Plocher will also be in its third growing season and can be tested in a similar fashion if enough crop is produced.

Nebraska Tourism Commission Report

November 29, 2017

York, NE

1. Grant Applications open until December 15. Announced Jan. 31, 2018.
 - a. Marketing Grants – encourages applicants to get involved in the group tour marketplace, attend travel shows in target areas, advertise in the Nebraska Travel Guide and on VisitNebraska.com, as well as take part in marketing efforts through the Commission's social media programs.
 - b. Community Impact Grants – large-scale events can apply for assistance to attract out-of-state visitors and generate favorable national or international press coverage for their event.
2. NTC will have booth at the National Western Stock Show Jan. 6-21, 2018. Looking for volunteers to work the 16-day show. Those working can bring brochures to promote their business.
3. Applications are being accepted for the 2018 Passport Program. Record breaking year with 465 participants hitting all 80 stops, compared to 168 in 2016 and 81 in 2015. Participants included residents from over 376 Nebraska Communities and 43 States. Glacial Till Tasting Room in Ashland was in the top 10 most visited stops at #8.
4. Next Agri/Eco-Tourism Workshop will be in conjunction with UNL Center for Great Plains Studies Symposium and the Heartland Byways Conference. Called PLAINS SAFARIS, April 18-20, 2018 in Kearney, NE. Pre-tours available one of which is an Agritourism Progressive Meal which will include Mac Creek Winery.
5. Michael Collins from our office is working with areas of the state to organize Fam Tours for the Group Tour industry.

Nebraska Grape and Winery Board Meeting Minutes
Chances “R” Restaurant & Lounge
124 W 5th St
York Ne 68467
May 30th, 2018
5:00 p.m.

Board Members Present: Max McFarland, Chair
Bart Holmquist, Vice Chairman
Terry Ryan, Secretary/Treasurer
Dave Hanna
Board Member Absent: Ellen Burdick

Ex-Officio Members Present: Casey Foster, Nebraska Department of Agriculture
Board Services Contractor Present: Ruth Anderson

Professor Paul Read, UNL – Lincoln
Lori Paulsen, NWGGA Executive Director
Theresa McFarland, President NWGGA
Karen Kollars, NE Tourism Commission

Call to Order

Max McFarland called the meeting to order at 5:45 p.m.

Roll Call

Present: Max, Dave, Terry, (Bart was present at 6:15 p.m.)

Open Meetings Act

Public notice of this meeting was published in
The Norfolk Daily News 05/17/18, Star Herald 05/17/18, North Platte Telegraph 05/18/18,
Beatrice Daily Sun 05/18/18, and Grand Island Independent 05/17/18 (at least 7 days prior to
the meeting).

Approval of Agenda

The agenda was reviewed by the Board. David made a motion to approve the agenda, Terry seconded the motion. Roll call. Motion carried.

Approve Minutes of November 29th, 2017 Meeting

Terry made the motion to approve the minutes. Dave seconded the motion. Roll call. Motion carried.

Public Comments

There were no public comments.

Activity updates were presented by Professor Paul Read representing the University of Nebraska, Lori Paulsen representing NWGGA, and Karen Kollars representing Nebraska Tourism Commission and Casey Foster representing the Department of Agriculture. Details of their updates are attached at the end of these minutes.

Old Business

Dave made a motion to approve the travel expenses incurred by the board's chairman for attending the Wine America meeting in California and the Wine National Policy Conference in Washington, D.C. The total costs incurred equaled \$3,958.94. Terry seconded the motion. Roll Call (Max abstained) Motion carried.

A motion was made and seconded that the revised strategic plan presented to the board be approved. A roll call vote was taken. Motion carried.

2017-18 fiscal report

Bart made a motion to approve the 2017-18 fiscal report. Terry seconded the motion. Roll call. Motion carried.

New Business

A total of 8 proposals were submitted to the board for funding consideration for the 2018-19 fiscal year. All of the proposals were approved for funding. The board estimates a beginning cash balance on July 1, 2018 at \$132,307.25, total revenue of \$262,500, with a total available cash of \$394,807.25. The board estimates their expenses to equal \$331,566 with an ending cash balance on June 30, 2019 at \$63,241.25. Dave made a motion to approve the 2018-19 fiscal budget. Bart seconded it. Roll Call (Max abstained) Motion carried.

Dave made a motion to elect Max McFarland to represent the NGWB at the Farm Winery Act Interim Study pending reappointment. Terry seconded the motion. Roll Call (Max abstained) Motion carried.

Other Business

Terry made a motion to elect officers from this point forward.

Max McFarland: Chairman, Dave Hanna: Vice Chairman, Terry Ryan: Sec/Treasurer

Bart second the motion. Roll Call. Motion carried.

The next meeting is tentatively set for the Vindemia Conference, November 2018 at Nebraska City Ne.

Dave made the motion to adjourn the meeting. Terry seconded the motion. Motion carried. The meeting adjourned at 9:00 p.m.

Nebraska Department of Agriculture: Casey Foster

Casey gave a report on the most recent topics that impact the Nebraska Wine and Grape industry.

In 2011, Congress passed the Food Safety Modernization Act (FSMA) to better protect public health by helping to ensure food safety at each step of production. FSMA falls under the FDA.

The goal is not to just contain food-borne outbreaks, but prevent them from occurring in the first place. The FDA Produce Safety Rule (PSR) is part of FSMA and focuses on science-based minimum standards for safe production and harvesting of fruits and vegetables grown for human consumption. The PSR is in effect as of Jan. 26, 2016 and certain farms must be compliant within a few years of this date. The PSR provides an exemption for produce that received commercial processing that adequately reduces the presence of microorganisms of public health significance, under certain conditions. For example, if you are a grower who sells all of your grapes to a winery, you would be exempt from this rule. However, you would need to provide documentation from the winery that explains the process of how your grapes will be processed. "Covered" means that the farm growing the produce will need to adopt the PSR. To determine whether a farm is exempt, qualified exempt, or covered by this rule, growers are encouraged to complete the Produce Grower Inventory Questionnaire on the Nebraska Department's website at www.nda.nebraska.gov/producesafety/produce-grower-inventory.pdf.

Nebraska received \$695,700.72 in Fiscal Year 2018 Specialty Crop Block Grant funds. A total of 15 proposals have been submitted to the USDA for review and approval. One of the proposals focuses on grape production practices. The University of Nebraska Viticulture Program will use the technique of grafting of an early bud breaking grape cultivar (scion) onto a rootstock of a grape cultivar that breaks winter dormancy later in the spring season.

University of Nebraska Viticulture Program Progress Report to the Nebraska Grape and Wine Board, May 30, 2018, York Nebraska

Groundcovers in the Vineyard

Field data for this 4-year project were collected in the winter, spring and summer of 2017 and data were analyzed in the winter of 2017/2018 prior to incorporating into Ben Loseke's PhD dissertation (May, 2018). Pruning weights were collected from the grapevines to measure how the groundcovers affected the growth during the previous growing seasons. The vines that were grown under chemically controlled groundcover conditions (control) had the highest pruning weights when compared to the four groundcover treatments. The groundcover treatments had reduced pruning weights ranging from 20% to 193%. These results were the most compelling data collected showing the detrimental effects planting groundcovers has on newly planted vines.

Grapevine leaf water potential (LWP) was collected throughout the summer in 2017 and was used to determine the amount of water stress imposed on the grapevines by adjacent groundcovers. These data will provide solid recommendations on how to educate growers in regard to planting groundcovers in their vineyard.

Soil samples were collected in 2015, 2016 and 2017 to determine the nutrient content of the soil for the four groundcover treatments and the control. Results indicated minor differences between the four groundcover treatments and the control. This may indicate that the reduced vine vigor seen in some of the groundcover plots was caused by water stress and not competition for nutrients.

Yield and berry analysis were collected in the late summer of 2017 and compared to similar data from 2016. In 2016, the total cluster number per plant was higher in the control than all of the groundcover treatments. However, in 2017 there was little difference between all of the treatments and the control. In 2017, all of the groundcover treatments with the exception of the native grass groundcover treatment had similar yields. The native grass groundcover produced the lowest yields among all treatments. Results showed that there were little to no differences in berry quality in both 2016 and 2017. These results corroborate that the conventional wisdom of maintaining a weed-free zone in new plantings is desirable, but ground covers on older plantings have merit.

Eric Nelson has chosen one of the more successful groundcover treatments we used in his vineyard and decided to plant the entire vineyard with this groundcover. He noted that the vines growing alongside the groundcover mix containing Kentucky bluegrass, white clover, red fescue, hard fescue, Chewings's fescue and perennial ryegrass appeared healthier than other vines. In addition, they appeared to rebound much more quickly from a herbicide drift incident than the other treatments, including the control. This decision is exciting because it clearly shows that growers are enthusiastic about trying new and innovative ways to manage the below vine area of their vineyards.

An ancillary study conducted by the UNL Department of Entomology determined that the insect population makeup, including beneficials, was higher in the various groundcover treatments than the control. There were seven main insect orders present in the vineyard planted with groundcovers, including Orthoptera, Diptera, Hymenoptera, Coleoptera, Mantodea, Lepidoptera and Hemiptera.

Grape Ripening Based on Growing Degree Days

Probably the most important and challenging viticultural decision a grower/wine maker is faced with is assessing grape maturity, predicting potential wine quality and harvesting at the most optimal time. Decisions such as whether to delay harvest until the desired quality parameters are reached or take chances on weather, shatter, wildlife or insect infestation or diseases such as fruit rot need to be assessed before a harvest timing plan is made. Overall ripeness evaluation involves much more than an analysis of °Brix, titratable acidity and pH; and many winemakers use flavor/aroma assessment in addition to the routine measurable standards. In order to reach these ideal goals, one should be aware of environmental conditions. The one that we are focusing on is Growing Degree Days (GDD). While it would never be recommended that this would be a grower's only harvest guide, it can be a very helpful in gauging the approximate range of dates for harvest. Looking back on several years of GDD data combined with an ideal list of key parameters by cultivars and desired wine style provide insights into prediction of harvest timing. Information such as this can be helpful in evaluating when to start testing samples and deciding how long is acceptable to let fruit hang. It can also be helpful in planning in advance based on extended weather forecasts as to when you could expect to harvest and schedule accordingly. One example follows for Marquette grapes harvested in 2017. Data are also available for LaCrescent, Brianna, Petite Pearl, Frontenac, Frontenac Gris, Maréchal Foch, Edelweiss, Prairie Star, Lacrosse and other cultivars, and for several previous years.

	Date	Brix	pH	GDD
Marquette	8/9/2017	20.25	2.6	2212
	8/14/2017	19.7	2.75	2297
	8/18/2017	22	3.4	2376
	8/22/2017	24	3.25	2462
	8/26/2017	24.25	3.35	2543
Harvest	8/29/2017	26	3.46	2554

Regional Tailgates

This year we decided to try the idea of regional tailgates as an alternative to more conventional all-day traditional field days. This is an approach that the Viticulture professionals in New York’s Finger Lakes region have used to great success. One of the advantages of tailgates is that because they are held late in the day, it usually means an escape from blistering summer heat. Also, by having them in different parts of the state, it is possible for local growers and grape and wine enthusiasts to attend after working at their day job. Tailgates also work well for winery personnel, since having the tailgates during the week avoids conflicting with weekend winery events that usually are an important part of winery cash-flow. We held four tailgates this last summer in different parts of the state. The first tailgate was at Ron Heskett’s vineyard south of Brownville, the second one was at Henry Prokop’s vineyard north of Wilber, the third one was at Nick Ryan’s (Prairie Creek Vineyard), Central City, and the fourth was at Steve Gibson’s vineyard in Paxton. We will use this approach to educational events again in 2018, again scheduling in different regions of the state. We have already held two first sessions of “Serial Tailgates” at pruning time, which will be followed by tailgates at flowering/fruit-set, veraison and possibly harvest, employing the same vines as those treated at pruning time so participants can see how the vines have progressed over the growing season.

Table Grape Production in High Tunnels and Controlling Climate Variability:

Growing table grapes in a high tunnel is being investigated to lengthen the growing season and improve visual quality and flavor appeal of the fruit. In addition, a high tunnel provides protection from late spring frost, excess precipitation, hail, birds and insects.

The first year of this project focused mainly on the construction of the high tunnel, trellis system installation and the planting of the grapevines. The high tunnel was built in the UNL East Campus Horticulture garden in Lincoln, Nebraska. In the late winter and spring of 2017, the high tunnel construction began and continued all summer and into the fall. In the midst of construction, the vines were planted in the late spring and construction of the trellis followed soon after. The grapes chosen for this project were ‘Canadice’, Somerset Seedless’, ‘Marquis’, ‘Thomcord’ and ‘Mars’. These specific cultivars were chosen based upon their anticipated ability to grow in the Nebraska climate, popularity amongst growers and consumers, and their disease and insect tolerance.

Trellis trials for Cold-Hardy Grapes:

Our research has evaluated several cultivars to determine optimum trellis systems for important cold hardy grapes grown in Nebraska. 'Frontenac', 'La Crescent', 'Saint Croix' and 'Marquette' have been demonstrated to produce the highest yields, without sacrificing quality, on either a High-wire Bilateral Cordon system or a Geneva Double Curtain (GDC) system, when compared with a Vertical Shoot Positioning (VSP) system.

Mulches for weed suppression:

Use of conventional and non-conventional mulches has produced mixed results. Although crushed glass was an effective weed suppressor, its longevity and cost have led to disposal problems and availability, respectively. Another non-conventional mulch, Distillers Dried Grains, also provided good weed suppression, but its cost varies with the costs of feed value materials for livestock enterprises, which makes its use less competitive. Landscape fabrics have been effective, but they may be cost-prohibitive for large-scale vineyards. Wood chips and prairie hay are also effective, but again, the relative value of hay in some seasons may make it less competitive. Wood chips tend to wash out in heavy rainstorms, especially if the vines are on sloping land. Consensus? Prairie hay or similar baled materials can last for up to three years and if prices are reasonable, may be the best choice.

Cultivar Evaluation:

Evaluation of cultivars and breeders advanced selections has been one of the most valuable parts of the University of Nebraska Viticulture Program. Perhaps it is often more helpful to growers and prospective growers to be able to tell them what **not** to try to grow, thus helping them avoid costly mistakes. The UNVP has evaluated nearly 100 cultivars and selections, primarily to determine adaptation to Nebraska geophysical and climatic conditions, including disease tolerance, cold hardiness, timing of bud break, trellising systems and of course fruit yield and quality. Some examples of cultivars and selections tested by our program are noted in our web site <http://viticulture.unl.edu>

Hail Damage Prevention:

This project has just begun with the purchase of special hail netting for installation on select vineyard sites. We are exploring the possibility of use of a special hail-producing machine being tested in the Department of Biological Systems Engineering. More will be reported following the 2018 growing season.

Collaboration – Internal (within UNL):

Department of Food Science and Technology (FST)/Food Science Center - Drs. Changmu Xu and Xiaoqing Xie – Research on a new fertilizer containing Lithium (Li) and Selenium (Se) obtained from an Italian entrepreneurial firm has shown that there are elevated levels of Li and Se in juice from treated vines and that this appears to carry over into wines made from the juice. This research is still very experimental but may offer valuable ways to enhance the nutritional characteristics of wine from vines treated with the experimental fertilizer.

FST personnel (Drs. Xu and Xie) have found similarities in the mutants of Frontenac (Frontenac Gris and Frontenac Blanc) to those published for the well-known mutants of Pinot Noir (Pinot Gris, Pinot Meunier, etc.). This research is in its early stages but offers the opportunity for greater fidelity of planting stock of Frontenac and its mutants, which should be very helpful to suppliers of planting stock.

FST personnel (Drs. Xu and Xie) are working with our programs to evaluate potential alternative uses for pomace, potentially creating a value-added product.

Agronomy and Horticulture – Paul Read provided the leadership for a collaborative Hatch (Federal) project involving four other A&H professionals (Adams, Dweikat, Paparozzi and Wortman) entitled “Diversifying Farm Income through Alternative and Horticultural Specialty Crops Research” (Paul E. Read, PI and Project Leader).

Departments of Entomology and Plant Pathology – advising on insect and disease management, respectively.

External Collaboration:

Northern Grapes Project - “Viticulture, Enology and Marketing for Cold-hardy Grapes. This cooperative research program involves viticulturists and enologists from 13 Midwest and Northeastern states. It has resulted in a series of webinars that many growers and winery people have taken advantage of, including many from Nebraska. The project is being considered for an extension of four years and is being led by Dr. Paolo Sabbatini from Michigan State University. Research results have shown that the best trellis systems for Frontenac, Marquette, St. Croix and La Crescent are high wire systems such as high wire bilateral cordon and Geneva Double Curtain.

NE-1020 (now NE – 1720) – This is a regional project that involves viticulturists and enologists from nearly 20 states (primarily northern states) and has focused on cultivar evaluation under an agreed-upon set of parameters so that cultivar performance can be compared across states and regions. Terry Bradley is the PI and Paul Read is a collaborator/Co-PI.

Annual Conference: The 20th Annual Winery and Grape Growers Forum and Trade Show took place March 2-4, 2017 at the Omaha Marriott Hotel, Omaha, Nebraska. This conference was the final time for the University of Nebraska Viticulture Program to plan and organize this educational event and represented a “transition” to hand off this program to the Nebraska Winery and Grape Growers Association (NWGGA). This transition is timely and is a measure of the growth and maturation of Nebraska’s grape and wine industry. Conducting such conferences in most other states with substantial grape and wine industries is handled by the professional associations affiliated with those industries, so this transition is a natural indication of the success of Nebraska’s grape and wine industry and the professional growth of the NWGGA.

Extension Publications:

G2279 – Grape Growing for the Home Garden (NebGuide)

G2289 – Growing Commercial Wine Grapes in Nebraska (NebGuide)

Nebraska VineLines - a periodic email newsletter sent to over 300 recipients – average of six issues per year.

Research Publications:

Loseke, Benjamin A. 2018. Replacing Herbicides with Groundcovers for Nebraska Vineyards. University of Nebraska PhD Dissertation May 2018.

Read, Paul E. and Benjamin A. Loseke. 2017. Creativity in Micropropagation: An overview of the AEMP/PEMP story and thoughts on what the future will bring? *Acta Horticulturae* (Invited, reviewed and accepted research manuscript).

Bavougian, Christina and Paul E. Read. 2017. Mulch and ground cover effects on soil temperature and moisture, surface reflectance, grapevine water potential, and vineyard weed management. *Biological Agriculture & Horticulture* – Manuscript ID TBAH-2017-0336

Paparozzi, Ellen T., George E. Meyer, Vicki Schlegel, Erin E. Blankenship, Stacy A Adams, M. Elizabeth Conley, Ben Loseke and Paul E. Read. Strawberry cultivars vary in productivity, sugars and phytonutrient content when grown in a greenhouse during the winter. *Scientia Horticulturae* 227:1-9.

Morrison, Donna, Erin Blankenship, Paul E. Read and Ellen T. Paparozzi. 2017. Stolon Development and Cultural Production Practices of Winter-grown Strawberries. *Intl J. Fruit Science* (Reviewed, Conditionally Accepted pending minor revisions).

Team Hatch Project, Paul E. Read Director. 2017. Project Title: Diversifying Farm Income through Alternative and Horticultural Specialty Crops Research. Approved through the University of Nebraska's Agricultural Research Division and USDA-NIFA, August 15, 2017 as NEB-22-391.

Teaching:

HORT/HRTM/NUTR 471/871 – Vines, Wines and You, 3 credits - Spring Semester, two sections, total 75 students; Fall Semester – one section, 47 students

HORT 352 - Physiology of Horticultural Crops (2 credits, team-taught with Dr. E. T. Paparozzi), Fall Semester – 12 students

HORT 353 - Vegetable Crops Laboratory (2 Credits), Fall Semester – 12 students

HORT 354 – Fruit Crops Laboratory (2 credits) – 14 students

Further Notes:

University of Nebraska Viticulture research has continued to focus on topics of concern to grape growers, including canopy management, disease and pest identification and prevention, optimizing trellis systems, weed management, herbicide drift problems and their prevention/management, cultivar and new genotype evaluation* and vineyard floor management. The latter topic is addressed in the next page by a report of a four-year study of ground covers and cover crops on a commercial cooperators' vineyard near Raymond, Nebraska.

*Newly identified selections from grape breeding programs and from private breeders are continually being tested, with additional new genotypes to be planted in University of Nebraska Viticulture Program research vineyards in 2018. Recent examples include 'Itasca', a dry white wine type from the University of Minnesota breeding program that will be in its third growing season in 2018 and should produce a modest crop that can be tested for quality parameters such as degrees Brix, pH and titratable acidity. Likewise, TP 1-1-12 from private breeder Tom Plocher will also be in its third growing season and can be tested in a similar fashion if enough crop is produced. A new as-yet un-named table grape from the Cornell University breeding program has been added this year to the High Tunnel project. Abstracts can be provided to be

presented at professional meeting based upon research led by the University of Nebraska Viticulture Program.

**NWGGA Report to the Nebraska Grape and Winery Board
May 30, 2018**

NWGGA Operations/Executive Director – 18-13-281

\$90,000

These funds are used to provide for operational costs for the NWGGA as well as to provide for an Executive Director. These funds have allowed the Association the needed staff to complete other Grape Board projects like Vindemia and Toast Nebraska as well as PR for the industry and point person for partnerships with other organizations, as per the strategic plan.

Wine America - 18-13-283

\$10,000 –

These funds are used to provide for the NWGGA Executive Director to travel to both the fall Wine America Meeting and the Spring Wine America meeting being held in Washington DC in February 2018, in conjunction with BevEx.

NWGGA Executive Director Lori Paulsen traveled to the Wine America meeting held November 9-10, 2017 in Napa, CA. She participated in the Wine America meeting where national legislative updates were provided and discussions were held regarding WineAmerica membership. In addition, the State and Regional Association Advisory Council meeting was held and Lori Paulsen was tapped as Vice Chair. She also participated in the discussions of state legislative priorities from other states which will assist the NWGGA in understanding how other state's are operating and borrowing ideas from these actions.

Theresa McFarland represented the NWGGA at the February Wine America meeting in conjunction with Bev Ex.

Marketing - 18-13-282

\$35,000 – projected year end spending \$35,000

Add \$4500

Note: 2018 Passport \$6500

Anticipated Prizes for 2017 - \$12,000

Remaining \$21,000

This project provides for the prizes for the 2017 Nebraska Wine Passport Program as well as production and distribution of the 2018 Passport. The Passport continues to drive traffic to the participating wineries and tasting rooms.

Additional marketing projects will be proposed to the NWGGA for execution in 2018 as part of the overall marketing project. These funds are being used to promote Toast Nebraska as well as the industry via radio, social media and traditional media interviews.

Wine QA – 18-13-331

\$10,000

Work had begun with Dr. Stephen Menke of Colorado regarding Quality Assurance in past years. He is not able to continue this for this year due to funding issues at Colorado.

Toast Nebraska – 18-13-333

\$10,000

These funds will be used for the deposit of the space at Vala's Pumpkin Patch for the June 8-9, 2018 Wine Festival, Toast Nebraska. We are anticipating approximately 20 wineries to participate in this all Nebraska Wine festival attracting about 3,000 people to celebrate Nebraska Wine.

These funds were used as a deposit for Valas for the venue of Toast. A complete update will be provided in the final report.

Vindemia 2017 – 18-13-332

\$10,000 – *projected year end spending=\$10,000*

These funds are being utilized to pay for the travel expenses and stipends for the speakers at Vindemia 2017, which was held October 22-24 in Nebraska City. Nearly 140 people participated in this first time event, along with 28 exhibit booths.

**Nebraska Tourism Commission update
WINE & GRAPE BOARD MEETING
May 30, 2018**

Sandhill Crane Campaign: Big push in January and February months to invite people from target markets to see the cranes. These are slow months for state tourism advertising, so Nebraska took advantage of this to test the market and invited people to come see the cranes. Good news... Two consecutive months so far where we've established a new record. March 2018 is the largest total reported for a March since the tax started back in 1981. The collection for March 2018 was 10.2 % larger than March 2017 – and is the second consecutive month that we've experienced a 10% + increase in collections year over year. Fiscal year up 6% over last fiscal (July 1-June30).

Through my Eyes summer campaign kicked off in April in various markets including Denver, Wichita, Topeka, Kansas City, Des Moines and Sioux Falls – in an effort to attract more out-of-state visitors who will bring new dollars into Nebraska and continue to grow and strengthen our economy. New marketing campaign unveiling at the State Tourism Conference in October.

The 9th annual Nebraska Passport program kicked off on May 1st and will run through September 30th with 70 Passport stops. We have had a busy start with more than 35,000 passports sent out. Last year, the program generated nearly \$6 million in traveler spending and enticed more than 40,000 people to explore Nebraska. According to a study done by Nebraska Tourism and Dean Runyan Associates, in 2017 the Nebraska Passport program not only generated nearly \$6 million in travel spending throughout the state but \$469,500 in state and local tax revenue. See attachment for 2017 results. This is our main marketing within state. Putting more dollars toward out of state marketing.

Michael Collins: Working on FAM Tours for Group operators. This month went to western Nebraska. Operators learned about what Nebraska has to offer in order to create tours and

deliver a unique experience for visitors. Stops included Chimney Rock, Fort Robinson State Historical Park, Carhenge, and many more historical landmarks.

Media Tours: Jenn Gjerde working with TURNER Company out of Colorado.

May 31-June 4 Sandhills Area

June 11-16 Western Nebraska

NTC Booths: Nebraska State Fair: August 24 – September 3

Husker Harvest Days: September 11-13

National Western Stock Show: January 12-27, 2019 in Denver

Nebraska Tourism Conference, October 16-18, 2018 in Nebraska City.

- Signage for all types of businesses
- US Dept. of Homeland Security – Steps to making your events safe. Emergency action templates
- Event insurance – risk consultant and an attorney
- Marketing: Travel & Editorial Trends / Creating videos on shoestring budget
- In expensive ways to tap into the birding and wildlife tours

Seeking hosts for 2019 Agri/Eco-Tourism Workshop

The Nebraska Tourism Commission is seeking potential hosts for the 2019 Agri/Eco-Tourism Workshop. This workshop works to provide landowners, community leaders, farmers, and ranchers with tools and ideas to establish, finance, market, and grow agritourism and ecotourism businesses. Participants will come away with ideas for getting the most out of their land, new industry knowledge, fresh marketing ideas, greater financial opportunity and helpful contacts!

We are open to any community hosting but we have a few requirements that usually need to be met to host the workshop:

- Agritourism and ecotourism activities in your area.
- Partnerships in place to promote / market agritourism and ecotourism
- Attendance generally is around 135 – 150, local lodging is needed to accommodate this amount
- Preferred workshop time frame: Mid to end of February 2019.
- Availability of shuttles

Please reach out to Alex Duryea at alexander.duryea@nebraska.gov or 402-471-3797 or Karen Kollars at Karen.kollars@nebraska.gov or 308-249-3220 by **May 31, 2018** to discuss being a potential host for the 2019 Agri/Eco-Tourism Workshop.

2017-2018
FISCAL REPORT

WINE \$ GRAPE PRODUCTION PROMOTION BOARD
JULY 1, 2017 – JUNE 30 2018

DESCRIPTION	FY2017-18 BUDGET	JUNE 2018	FY2017-18 YR-TO-DATE
BEGINNING CASH BALANCE	\$124,302	\$236,748.42	\$124,301.95
REVENUE			
Shipper License Fees	\$200,000	\$2,000.00	\$277,000.00
Check-Off Fees	\$8,500	\$0.00	\$ 8,447.84
Crushed Grape Fees	\$14,000	\$0.00	\$ 17,083.25
Investment Interest	\$1,300	\$530.95	\$ 3,301.41
Total Revenue	\$223,800	\$2,530.95	\$305,832.50
TOTAL AVAILABLE CASH	\$348,102	\$239,279.37	\$430,134.45
EXPENDITURES			
Printing (Annual Report)	\$500	\$0.00	\$ 253.65
Board Meeting Notices	\$200	\$59.35	\$ 275.58
Room Rental	\$300	\$0.00	\$ 0.00
NDA Fee Collection	\$3,000	\$1,977.61	\$3,295.04
Board Expense	\$5,600	\$4,563.15	\$9,111.28
NWGGA Contracts			
Executive Mgmt Services	FY16/17	\$0.00	\$ 7,201.66
Executive Mgmt Services	\$90,000	\$7,500.00	\$83,951.86
Marketing Plan	\$39,000	\$17,633.66	\$30,601.00
Nt'l Industry Org. Activities	\$10,000	\$600.00	\$ 600.00
Vindemia Planning	\$3,500	\$0.00	\$ 3,500.00
Vindemia Speaker Fees	\$10,000	\$0.00	\$10,000.00
Toast Nebraska	\$10,000	\$0.00	\$10,000.00
Wine Quality Assurance Program	\$10,000	\$0.00	\$ 0.00
UNL Contracts			
Viticulture Prgm/Lab Technician	\$75,416	\$6,336.01	\$66,059.79
Contracts (Misc.)			
Unobligated Expenditures	\$57,000	\$0.00	\$ 0.00
Board Assistant	\$5,100	\$425.00	\$ 5,100.00
Total Expenditures	\$319,616	\$39,094.78	\$229,949.86
Adjustment to Fund Balance	\$0.00	\$0.00	\$ 0.00
ENDING CASH BALANCE	\$28,486	\$200,184.59	\$200,184.59

CONTRACTS

**THE FIRST AMENDMENT TO THE AGREEMENT
BETWEEN THE
BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA ON BEHALF OF THE UNIVERSITY OF
NEBRASKA – LINCOLN
and
NEBRASKA DEPARTMENT OF AGRICULTURE
#18-13-325**

The Agreement 18-13-325, effective July 1, 2017, to July 15, 2018, between the Nebraska Department of Agriculture and the Board of Regents of the University of Nebraska on behalf of the University of Nebraska – Lincoln, shall be amended as follows:

Paragraph 1. of Section B shall be amended to read:

1. The Department shall provide a sum of up to seventy-five thousand four hundred sixteen dollars (\$75,416) from the Winery and Grape Producers Promotional Fund to the Viticulture Program upon both parties' signature to this Agreement and the Viticulture Program incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made.

The First Amendment shall become effective as of the date of last signature.

DEPARTMENT OF AGRICULTURE

Date

Steve Wellman, Director

BOARD OF REGENTS OF THE UNIVERSITY
OF NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

**AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA ON BEHALF OF THE UNIVERSITY OF
NEBRASKA – LINCOLN
#18-13-325**

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter “Department”) and the Board of Regents of the University of Nebraska on behalf of the University of Nebraska – Lincoln, (hereafter “Viticulture Program”).

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to the Viticulture Program to conduct research activities that are designed to assist in the betterment of Nebraska’s grape and wine industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §§53-301 to 53-305 which provide the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to the Viticulture Program.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. The Viticulture Program agrees to the following:
 - a. Utilize grant funds to pay for the viticulture technician’s salary and benefits, lab technician’s stipend, fuel, vehicle rental, travel costs, computer support, publications, fertilizers, chemicals, planting stock, hail netting, fittings, hardware and other vineyard supplies. These expenses are involved in the oversight and implementation of Viticulture Program activities.
 - b. The activities will consist of:
 - i. Cultivar and new genotype evaluation;
 - ii. Multi-state project evaluating performance on a common set of grape cultivars in multiple locations;
 - iii. Stability of Frontenac Sports;
 - iv. Ground cover impact on new vineyard establishment;
 - v. Evaluation of cold-hardiness, spring bud-break, and cold temperature damage prevention and management;
 - vi. Mulch and ground cover studies;

- vii. Research to determine the number of Growing Degree Days (GDD) required for specific cultivars to reach bud-break and the GDD number between bud-break and harvest;
 - viii. Hail damage prevention
 - ix. Reduced pesticide input;
 - x. Sustainable and potentially organic grape production projects; and
 - xi. Educational programming, including workshops, field days, and formal UNL courses.
- c. Provide a written final report to the Department by July 15, 2018. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
 - d. Provide services from July 1, 2017, through June 30, 2018.

B. ALLOWABLE COSTS AND PAYMENTS

1. The Department will advance a sum of up to sixty-seven thousand nine hundred sixteen dollars (\$67,916) from the Winery and Grape Producers Promotional Fund to the Viticulture Program upon both parties' signature to this Agreement and the Viticulture Program incurring an obligation. The Viticulture Program shall present Interagency Billing Transaction (IBT) invoices to the Department from which payments shall be made.
2. Final Viticulture Program billing shall be received no later than July 15, 2018.
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability.
4. The Viticulture Program specifically agrees that funds provided under this Agreement shall be used only for the project and purposes enumerated herein.
5. Any funds paid to the Viticulture Program under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the Viticulture Program, except that the Department shall pay the Viticulture Program for the cost of services provided up to the date of termination, subtracting any additional costs caused by the Viticulture Program's termination.

2. **Project Completion:** The project will be deemed to be complete when to the Department's satisfaction the Viticulture Program completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. **Complete Understanding:** This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. **Relationship of Parties:** The relationship of the Department and the Viticulture Program under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the Viticulture Program that the Viticulture Program is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. **Assignable:** This Agreement is not assignable without the express written approval of the Department.
6. **Governing Law:** This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. **Indemnification:**
 - a. **General.** The Viticulture Program, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Viticulture Program, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement.
 - b. **Personnel.** The Viticulture Program shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the Viticulture Program.
8. **Authority to Enter Agreement:** The Viticulture Program warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind the Viticulture Program accordingly.
9. **Attorney's Fees:** In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the Viticulture Program agrees to pay all expenses of such

action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.

10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the Viticulture Program fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the Viticulture Program, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the Viticulture Program which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the Viticulture Program. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the Viticulture Program shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the Viticulture Program providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the Viticulture Program providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The Viticulture Program, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The Viticulture Program guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The Viticulture Program shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.

- b. It is further understood and agreed, that if the Viticulture Program is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The Viticulture Program, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The Viticulture Program, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The Viticulture Program, and any and all subcontractors, shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
 - b. If the Viticulture Program is an individual or sole proprietorship, the Viticulture Program shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materiel/purchasing.html>. If the Viticulture Program indicates on such attestation form that he or she is a qualified alien, the Viticulture Program shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the Viticulture Program's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The Viticulture Program understands and agrees that lawful presence in the United states is required and the Viticulture Program may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.
6. Early State Agreement Termination or Certification Regarding Debarment: The Viticulture Program certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The Viticulture Program further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the Viticulture Program has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the

agreement number, along with an explanation of why the agreement was terminated early. The Viticulture Program also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The Viticulture Program shall immediately notify the Department if, during the term of this Agreement, the Viticulture Program becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the Viticulture Program written notice if the Viticulture Program becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For the Viticulture Program:
Dr. Paul Read
University of Nebraska - Lincoln
PLSH 377J
Lincoln, NE 68583
402-472-5136
pread1@unl.edu

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

BOARD OF REGENTS OF THE UNIVERSITY OF
NEBRASKA

Date

Jeanne Wicks, Director
Sponsored Programs

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-331

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to continue in the development of a statewide Wine Quality Assurance Program that will assist in the betterment of Nebraska's grape and wine industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:

- a. Utilize up to ten thousand dollars (\$10,000) to pay for a Wine Quality Assurance consultant to travel to Vindemia, which is a grape conference held in Nebraska City in October 2017. The consultant will report on the current progress and status of wine quality and will conduct a needs assessment of Nebraska wineries to determine the future direction of quality assurance efforts.
- b. Provide a written final report to the Department by July 15, 2018. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
- c. Provide services from July 1, 2017, through June 30, 2018.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to ten thousand dollars (\$10,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;

2. Final NWGGA billing shall be received no later than July 15, 2018;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination, subtracting any additional costs caused by NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or

any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.

8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.

2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Lori Paulsen
NWGGA
PO Box 82081
Lincoln, NE 68501
lpaulsen@nebraskawines.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION

Date

Theresa McFarland, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-281

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA for an Executive Director position to conduct marketing activities to assist in the betterment of Nebraska's grape and wine industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §§53-301 to 53-305 which provide for the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to the following:

a. Fund an Executive Director position, which is designed to increase the competitiveness and sustainability of Nebraska's grape and wine industry. The funds will specifically be used to pay for the Executive Director's salary, benefits, travel expenses, banking costs, office supplies, software, postage, business insurance, and meeting expenses. Funds will also be used to pay the expenses for the Executive Director to participate in the Nebraska LEAD Program.

b. Provide a written final report to the Department by July 15, 2018. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.

c. Provide services from July 1, 2017, through June 30, 2018.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to ninety thousand dollars (\$90,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
2. Final NWGGA billing shall be received no later than July 15, 2018;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination:
 - a. The Department may immediately terminate this Agreement, in whole or in part, if NWGGA fails to perform its obligations under this Agreement in a timely and proper manner. The Department may, at its discretion, allow NWGGA to cure a failure or breach within the Department's specified period of time. Allowing NWGGA time to cure a failure or breach does not waive the Department's right to immediately terminate this Agreement for the same or different Agreement breach which may occur at a different time. In case of default of the NWGGA, the Department may contract from other sources and hold the NWGGA responsible for any excess cost occasioned thereby.
 - b. This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to the NWGGA, except that the Department agrees to pay the NWGGA for the cost of services satisfactorily provided up to the date of termination, subtracting any additional costs caused by the NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:

- a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter “the indemnified parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter “claim”), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
 9. Attorney’s Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney’s fees and costs, if the Department is the prevailing party.
 10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid
 11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget’s Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
 - b. If the NWGGA is an individual or sole proprietorship, the NWGGA shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materiel/purchasing.html/>. If the NWGGA indicates on such attestation form that he or she is a qualified alien, the NWGGA shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the NWGGA's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The NWGGA understands and agrees that lawful presence in the United states is required and NWGGA may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Theresa McFarland
Mac's Creek Winery and Vineyards
43315 Rd 757
Lexington, NE 68850
theresa@macscreekvineyards.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION

Date

Theresa McFarland, President

THE FIRST AMENDMENT TO THE AGREEMENT

BETWEEN THE

NEBRASKA DEPARTMENT OF AGRICULTURE

and

NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-282

The Agreement 18-13-282, effective July 1, 2017, to July 15, 2018, between the Nebraska Department of Agriculture and the Nebraska Winery and Grape Growers Association, shall be amended as follows:

Paragraph 1. of Section B shall be amended to read:

1. The Department shall provide a sum of up to thirty-nine thousand dollars (\$39,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation.

The First Amendment shall become effective as of the date of last signature.

DEPARTMENT OF AGRICULTURE

Date

Steve Wellman, Director

NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION

Date

Theresa McFarland, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

#18-13-282

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter “Department”) and the Nebraska Winery and Grape Growers Association, (hereafter “NWGGA”).
PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to implement a Comprehensive Marketing Program to increase the awareness, consumption, and preference for Nebraska specific wines.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:
 - b. Utilize grant funds to implement a Nebraska wine and grape industry Comprehensive Marketing Program that consists of multiple components. The marketing activities will include, but will not necessarily be limited to, the following:
 - i. Nebraska’s Wine Tour Passport Program. This program is designed to provide an incentive for tourists and consumers to visit a significant number of wineries and tasting rooms across the state. Funds will pay for the creation, printing, distribution, and promotion of the Passports. It will also pay for Passport prizes and web updates.
 - ii. Promote the components of the Marketing Plan, which include costs associated with social media, marketing, advertising, wine festivals, and sponsorships. Efforts will be used to expand the identity of Nebraska’s grape and wine industry.

- iii. Provide a written final report to the Department by July 15, 2018. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
- b Provide services from July 1, 2017, through June 30, 2018.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to thirty-five thousand dollars (\$35,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
2. Final NWGGA billing shall be received no later than July 15, 2018;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination, subtracting any additional costs caused by NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.

7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter “the indemnified parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter “claim”), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker’s compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney’s Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney’s fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget’s Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars

expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the

NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Lori Paulsen
NWGGA
PO Box 82081
Lincoln, NE 68501
lpaulsen@nebraskawines.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION

Date

Theresa McFarland, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-283

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to pay for their membership in Wine America's State Regional Associations Advisory Council. Funds will also be used to pay for expenses associated with the Executive Director to attend meetings and conferences associated with the wine and grape industry.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to utilize grant funds to offset the costs associated with the following:
 - a. Wine America's State Regional Associations Advisory Council membership dues for 2018;
 - b. Executive Director's registration and travel expenses to attend the Wine Association Leadership Conference at USBevX, the Wine America Policy Conference, and related state and regional association committee meetings.
2. NWGGA will provide a written final report to the Department by July 15, 2018. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
3. NWGGA will provide services from July 1, 2017, through June 30, 2018.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to ten thousand dollars (\$10,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
2. Final NWGGA billing shall be received no later than July 15, 2018;

3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination, subtracting any additional costs caused by NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;
 - b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or

any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.

8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.

2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Lori Paulsen
NWGGA
PO Box 82081
Lincoln, NE 68501
lpaulsen@nebraskawines.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION

Date

Theresa McFarland, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-304

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereinafter "Department") and the Nebraska Winery and Grape Growers Association, (hereinafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to the NWGGA to provide for a Vindemia committee planning meeting.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board Act, Neb. Rev. Stat. §§53-301 to 53-305 (hereinafter "Act") which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:
 - a. Utilize grant funds to facilitate a Vindemia committee planning meeting to review the success of the 2017 Vindemia Conference and plan for the 2018 event.
 - b. The intent of the meeting is to review attendee feedback from the 2017 conference and outline the timeline, program, topics, speakers and overall event details associated with hosting the 2018 conference.
 - c. Funds will be used to pay for committee member travel expenses and facility costs associated with the meeting.
 - d. Provide a written final report to the Department by July 15, 2018. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
 - e. Provide services from November 30, 2017, through June 30, 2018.
2. The Department agrees to:
 - a. Provide the funds for the activities in Paragraph A. of this Agreement from the Winery and Grape Producers Promotional Fund.

C. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to three thousand five dollars (\$3,500) from the Winery and Grape Producers Promotional Fund to the NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation.
2. Final NWGGA billing shall be received no later than July 15, 2018;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to NWGGA, under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period, shall be returned to the Department.

C. AGREEMENT PERIOD

1. The term of this Agreement is from **November 30, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination.
2. Project Completion: The project will be deemed to be complete when NWGGA provides all the information as outlined in Section A, or when funding is no longer available.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid. In addition, this Agreement may also be amended in the future should additional work or additional funding become available within the terms of this Agreement.
4. Relationship of Parties: The relationship of the Department and NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by State law.
7. Indemnification:
 - a. General. NWGGA, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials, (hereinafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses, (hereinafter "claim") sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;

- b. Personnel. NWGGA shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by NWGGA.
- 8. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
- 9. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.

E. RECORDS AND WORK PRODUCT PROVISIONS

- 1. Records Available: The books of account, files, and other records of NWGGA which are applicable to this Agreement shall be available for inspection, review, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years. If any litigation or audit is begun, or a claim is instituted involving the Agreement, NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
- 2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and NWGGA providing copies of invoices detailing how the Department funds were expended.
- 3. Ownership of Data/Records: All original materials, including final reports, or other records maintained by any party which are kept during, or derived out of, the work pursuant to this Agreement shall be the property of that party. Each party shall furnish to the other, upon request, a copy of information or data obtained and shall assist or advise, when appropriate, in an interpretation of such data.

F. COMPLIANCE PROVISIONS

- 1. Nondiscrimination: NWGGA, and subcontractors, if acquired, shall:
 - a. Not discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
 - b. Not discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, or qualified disability.It is further understood and agreed, that if NWGGA is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
- 2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
- 3. Worker's Compensation: NWGGA, and subcontractors, if acquired, guarantees payment of compensation to injured workers according to the Nebraska Worker's Compensation Act.

4. Drug Free: NWGGA, and subcontractors, if acquired, shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:
 - a. A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in NWGGA's workplace;
 - b. The specific actions that will be taken against employees for violating the policy; and
 - c. A requirement that each employee receive a copy of the policy.

5. Immigration Verification:
 - a. NWGGA, and subcontractors, if acquired, shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
 - b. If the NWGGA is an individual or sole proprietorship, the NWGGA shall complete the United States Citizenship Attestation Form available in the DAS website at <http://das.nebraska.gov/materiel/purchasing.html>. If the NWGGA indicates on such attestation form that he or she is a qualified alien, the NWGGA shall provide to the Department the U.S. Citizenship and Immigration Service documentation required to verify the NWGGA's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program. The NWGGA understands and agrees that lawful presence in the United states is required and NWGGA may be disqualified or the Agreement immediately terminated, if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Lori Paulsen
NWGGA
PO Box 82081
Lincoln, NE 68501
lpaulsen@nebraskawines.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Steve Wellman, Director

NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION

Date

Theresa McFarland, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-332

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to pay for expenses associated with the presenters at the 2017 Vindemia Conference.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to the NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:
 - a. Utilize grant funds to pay for travel and/or honorarium expenses associated with the speakers who present at the 2017 Vindemia Conference, which will be held in Nebraska City, Nebraska, October 22 – 24, 2017.
 - b. Provide a written final report to the Department. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
 - c. Provide services from July 1, 2017, through June 30, 2018.

Vindemia will focus on bringing people together to focus on the issues of marketing, branding, and sustainability in the burgeoning Midwestern grape scene.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to ten thousand dollars (\$10,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and the NWGGA incurring an obligation;

2. Final NWGGA billing shall be received no later than July 15, 2018;
3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to the NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination, subtracting any additional costs caused by NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation

costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;

- b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind the NWGGA accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:
 - a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain a statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors, shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that It is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that it has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, the NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all

subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Lori Paulsen
NWGGA
PO Box 82081
Lincoln, NE 68501
lpaulsen@nebraskawines.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION

Date

Theresa McFarland, President

AGREEMENT
BETWEEN THE
NEBRASKA DEPARTMENT OF AGRICULTURE
AND THE
NEBRASKA WINERY AND GRAPE GROWERS ASSOCIATION
#18-13-333

This Agreement is entered into by and between the Nebraska Department of Agriculture, (hereafter "Department") and the Nebraska Winery and Grape Growers Association, (hereafter "NWGGA").

PURPOSE: The purpose of this Agreement is to provide funding, as authorized by the Nebraska Grape and Winery Board, to NWGGA to pay for rental costs associated with the Toast Nebraska wine festival.

AUTHORITY: This Agreement is being entered into pursuant to the Nebraska Grape and Winery Board statutes, Neb. Rev. Stat. §53-301 to 53-305 which provides the Winery and Grape Producers Promotional Fund to be used by the Department at the direction of, and in cooperation with, the Board to develop programs that promote the wine industry in Nebraska.

The Nebraska Grape and Winery Board has conducted a public board meeting and directed the Department to provide funds to NWGGA.

THEREFORE, in consideration of the covenants herein contained, it is agreed by and between the parties hereto as follows:

A. DESCRIPTION OF WORK

1. NWGGA agrees to:
 - a. Utilize up to ten thousand dollars (\$10,000) to pay for costs associated with renting equipment and supplies for the Toast Nebraska wine festival.
 - b. Provide a written final report to the Department by July 15, 2018. The report, which shall describe the results of the project and the use of funds, will be made public by the Nebraska Grape and Winery Board.
 - c. Provide services from July 1, 2017, through June 30, 2018.

B. ALLOWABLE COSTS and PAYMENTS

1. The Department shall provide a sum of up to ten thousand dollars (\$10,000) from the Winery and Grape Producers Promotional Fund to NWGGA upon both parties signing this Agreement and NWGGA incurring an obligation;
2. Final NWGGA billing shall be received no later than July 15, 2018;

3. The source of funding for this Agreement is the Winery and Grape Producers Promotional Fund. Payment is contingent upon funding availability;
4. NWGGA specifically agrees that funds provided under this Agreement shall be used only for the project and purpose enumerated herein; and
5. Any funds paid to NWGGA under this Agreement and not fully utilized and earned pursuant to this Agreement during the Agreement period shall be returned to the Department.

C. AGREEMENT PERIOD

The term of this Agreement is from **July 1, 2017, to July 15, 2018**, unless sooner terminated or completed as provided for in Section D.

D. AGREEMENT PROVISIONS

1. Termination: This Agreement may be terminated, at any time, upon mutual written consent of the parties, or by either party, with or without cause, upon thirty (30) days written notice to the other party. In the event of termination, the Department shall be under no further obligation to NWGGA, except that the Department shall pay NWGGA for the cost of services provided up to the date of termination, subtracting any additional costs caused by NWGGA's termination.
2. Project Completion: The project will be deemed to be complete when to the Department's satisfaction the NWGGA completely and fully performs as outlined in Section A, or when funding is no longer available, whichever occurs first.
3. Complete Understanding: This Agreement incorporates the complete understanding of the parties. Any modification of the Agreement shall be in writing and executed by each party to be valid.
4. Relationship of Parties: The relationship of the Department and the NWGGA under this Agreement shall be that of principal and independent contractor. It is understood by both the Department and the NWGGA that the NWGGA is not an employee of the Department and that the Department assumes no responsibility beyond those specifically stated in this Agreement.
5. Assignable: This Agreement is not assignable without the express written approval of the Department.
6. Governing Law: This Agreement shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the Department regarding this Agreement shall be brought in the State of Nebraska administrative or judicial forums as defined by Nebraska State law.
7. Indemnification:
 - a. General. The NWGGA, to the extent allowable by Nebraska State Law, agrees to defend, indemnify, hold, and save harmless the Department and its employees, volunteers, agents, and its appointed officials (hereafter "the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (hereafter "claim"), sustained or asserted against the Department, arising out of, resulting from, or

attributable to the willful misconduct, negligence, error, or omission of the NWGGA, its employees, subcontractors, consultants, representatives, and agents, except to the extent such liability is attenuated by any action of the Department which directly and proximately contributed to any claim. The obligation to indemnify shall survive the expiration or termination of this Agreement;

- b. Personnel. The NWGGA shall, to the extent allowable by Nebraska State Law, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the NWGGA.
8. Authority to Enter Agreement: The NWGGA warrants the individual signing this Agreement has the legal power, right, and authority to enter into this Agreement and to bind NWGGA accordingly.
9. Attorney's Fees: In the event of any litigation, appeal, or other legal action to enforce any provision of this Agreement, the NWGGA agrees to pay all expenses of such action, as permitted by law, including attorney's fees and costs, if the Department is the prevailing party.
10. Severability: If any term or condition of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.
11. Penalty for Breach: In the event that the NWGGA fails to perform any substantial obligation under this Agreement, the Department may withhold all monies due and payable to the NWGGA, without penalty, until such failure is cured or otherwise adjudicated.

E. RECORDS AND WORK PRODUCT PROVISIONS

1. Records Available: The books of account, files, and other records of the NWGGA which are applicable to this Agreement shall be made available in the State of Nebraska for inspection, review, copying, and audit by the Department and its representatives to determine the proper application and use of all funds paid to and for the account or benefits of the NWGGA. All records involving transactions related to this Agreement are to be maintained for a period of five (5) years from the date the term of this Agreement begins. If any litigation or audit is begun, or a claim is instituted involving the Agreement, the NWGGA shall retain the records beyond the five (5) year period until litigation, audit findings, or claim has been fully resolved and the Department has agreed that such records do not need to be retained.
2. Auditing Standard: The Department, under the Office of Management and Budget's Uniform Guidance, will utilize a risk-based approach to review federal and state contract dollars expended to subrecipients. This may include the NWGGA providing recent audit reports to evaluate prior audit experiences and audit findings; Department review of subrecipient control environment; the Department requiring additional oversight reports; and the NWGGA providing copies of invoices detailing how the Department funds were expended.

F. COMPLIANCE PROVISIONS

1. Nondiscrimination:

- a. The NWGGA, and any and all subcontractors, shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act, Neb. Rev. Stat. §§48-1101 to 48-1125, prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensations, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin. The NWGGA guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of this Agreement. The NWGGA shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Agreement.
 - b. It is further understood and agreed, that if the NWGGA is in violation of this clause, it shall be immediately barred from receiving further funds, unless a satisfactory showing is made that discriminatory practices have terminated and that a recurrence of such act or action is unlikely.
2. ADA Compliance: All provisions under this Agreement are subject to the Americans with Disabilities Act.
3. Worker's Compensation: The NWGGA, and any and all subcontractors guarantee payment of compensation to injured workers according to the Nebraska Worker's Compensation Act which is valid for the life of the Agreement including any extensions of the Agreement.
4. Drug Free: The NWGGA, and any and all subcontractors shall have in force during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain: A statement notifying employees the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited; the specific actions that will be taken for violating the policy; and a requirement that each employee receive a copy of the policy.
5. Immigration Verification:
 - a. The NWGGA, and any and all subcontractors shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronics verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of newly hired employees.
6. Early State Agreement Termination or Certification Regarding Debarment: The NWGGA certifies that NWGGA is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The NWGGA further certifies that NWGGA has not had an agreement with the State of Nebraska terminated early by the State of Nebraska. If the NWGGA has had an agreement terminated early by the State of Nebraska, NWGGA shall provide the agreement number, along with an explanation of why the agreement was terminated early. The NWGGA also agrees to include the requirements of this paragraph in any and all subcontracts into which it enters. The NWGGA shall immediately notify the Department if, during the term of this Agreement, the NWGGA becomes debarred or has an

agreement with the State of Nebraska terminated early. The Department may immediately terminate this Agreement by providing the NWGGA written notice if the NWGGA becomes debarred or if NWGGA has an agreement terminated early by the State of Nebraska during the term of this Agreement.

G. COMMUNICATION BETWEEN PARTIES:

All notices, requests, or other communications shall be in writing and shall be deemed to have been given if delivered personally, emailed, or mailed, by U.S. Mail or other mail delivery service, to the addresses set forth herein. Either party may change its email address or mailing address for notification purposes by giving notice of the change and setting forth the new address and the effective date.

For the Department:
Casey Foster
Nebraska Department of Agriculture
PO Box 94947
Lincoln, NE 68509-4947
casey.foster@nebraska.gov

For NWGGA:
Lori Paulsen
NWGGA
PO Box 82081
Lincoln, NE 68501
lpaulsen@nebraskawines.com

IN WITNESS WHEREOF, the parties executed this Agreement.

DEPARTMENT OF AGRICULTURE

Date

Greg Ibach, Director

NEBRASKA WINERY AND GRAPE GROWERS
ASSOCIATION

Date

Theresa McFarland, President

AGREEMENT

between

NEBRASKA GRAPE AND WINERY BOARD

and

RUTH ANDERSON

#18-13-179

This Agreement entered into by and between the Nebraska Grape and Winery Board, hereinafter called the "Board," provides for funding from the Winery and Grape Producers Promotional Fund to contract with Ruth Anderson, hereinafter called the "Independent Contractor," as the Nebraska Grape and Winery Board Services Contractor.

WHEREAS, the Nebraska Grape and Winery Board was created to:

1. Establish a public forum whereby any producer of wine, grapes, or other wine-producing agricultural products has the opportunity, at least once, annually, to discuss with the Board its policy and procedures;
2. Keep minutes of its meetings and other books and records which clearly reflect all of the acts and transactions of the Board and to make these records available for examination upon request by members of the public;
3. Authorize and approve the Nebraska Department of Agriculture's (NDA) expenditure of funds collected pursuant to §53-304;
4. Serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and
5. Adopt and promulgate rules and regulations to carry out §§53-301 to 53305 of the Nebraska Grape and Winery Board Statute.

WHEREAS, for administrative purposes, Board funds are located in NDA and defined as the Winery and Grape Producers Promotional Fund;

WHEREAS, all revenue credited to this fund is used by NDA at the direction of and in cooperation with the Board to develop and maintain programs for the research and advancement of the growing, selling, marketing, and promotion of grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry; and

WHEREAS, the Nebraska Grape and Winery Board, under Neb. Rev. Stat. §§53301 to 53-305, has conducted a public board meeting and directed NDA to prepare a contract with an Independent Contractor to further enhance and maintain the clerical responsibilities of the Board.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by and between the parties that the Board approves funds to hire an Independent Contractor to perform the work and adhere to the guidelines listed in this Agreement.

TERMS OF AGREEMENT

Subject to the terms and conditions of this Agreement, the Board hereby engages the Independent Contractor to perform the services set forth herein, and the Independent Contractor hereby accepts such engagement.

The Agreement shall be in force and effective from July 1, 2017, to June 30, 2018, with one successive one-year option to renew. This shall include sufficient time to complete the schedule of the work proposed and complete additional tasks as identified by NDA and the Board. This Agreement will incorporate the complete understanding of the parties. Any modification of this Agreement will be in writing and executed by each party of the Agreement to be valid.

SCOPE OF WORK

The Independent Contractor will work closely with NDA on many projects as they relate to the grape and wine industry. The Independent Contractor will be charged to provide the following services. These services shall be termed "work" herein.

1. Collect and forward all project proposals to Board members.
2. Periodically monitor progression of Board-funded grant projects.
3. Collect final reports and invoices from grant recipients.
4. Submit invoices and receipts to NDA in a timely manner.
5. Prepare year-end documentation that includes funded project proposals, contracts, and final reports.
6. Compile Board contact information, meeting minutes, grant application instructions, news releases, fiscal reports, grants, bylaws, and Board statutes for assembly into the Grape and Winery Board's Annual Reports.
7. Write and compile Board meeting minutes, under direction of Board Secretary.
8. Ensure submission of Board Expense Reimbursement Requests to NDA.
9. Collaborate and communicate with NDA and the Board on a regular basis.
10. Schedule the location, dates, and times of all Board meetings and send this information to Nebraska print media outlets.
11. Coordinate and attend all Board meetings and some industry-related events.
12. Provide general administrative office support to NDA and the Board, as needed.

The Independent Contractor shall perform the work and accomplish such tasks as identified above. These will be designated as the responsibilities of the Independent Contractor. NDA and/or the Board may, from time to time, unilaterally increase or decrease the work to be performed. All of the provisions in this Agreement are intended to be complementary in nature, and any requirements mentioned by one and not mentioned in another section shall nevertheless be performed to the same extent as though required by all.

The Board acknowledges that the Independent Contractor's ability to carry out the work required is heavily dependent upon the Independent Contractor's past experience in the industry and in providing similar services to others.

INDEPENDENT CONTRACTOR RELATIONSHIP

The relationship of the Independent Contractor and the Board, under this Agreement, shall be that of principal and Independent Contractor. It is understood by both parties that the Independent Contractor is not an employee of the Board, and the Board assumes no responsibility beyond those specifically stated in this Agreement.

The Independent Contractor agrees to perform the work herein solely as an Independent Contractor. The parties to this Agreement recognize that this Agreement does not create any actual or apparent agency, partnership, franchise, or relationship of employer and employee between the parties. The Independent Contractor is not authorized to enter into or commit the Board to any agreements, and the Independent Contractor shall not represent itself as the agent or legal representative of the Board.

Furthermore, the Independent Contractor shall not be entitled to any remuneration, benefits, or expenses other than those specifically provided for in this Agreement. The Board shall not be liable for taxes, unemployment insurance, employers' liability, employer's FICA, social security, health benefits, vacation and sick leave benefits, profit sharing plans, withholding tax, or other taxes or withholdings for the Independent Contractor in performing the work under this Agreement. All such costs shall be the Independent Contractor's responsibility for the entire duration of the Independent Contractor's agreement with the Board.

WARRANTIES AND ASSURANCES

The Independent Contractor represents and warrants the following.

1. Does not have any outstanding final judgments against it by the State, including tax liabilities, and agrees that any payments incurred by the State in this Agreement may be applied against such liabilities currently working or incurred in the future.
2. The work will be performed in accordance with, and shall not violate, applicable laws, rules or regulations, and standards prevailing in the industry.
3. The work will be original, clear, and presentable in a timely manner.
4. Possesses the skills in time management, oral and written communication, and literary proficiency, as it relates to writing, spelling, punctuation, and proofreading.

5. Access to a personal computer is readily accessible, which includes, at a minimum, a word processor and an Internet connection.
6. Able to provide independent transportation to all Board meetings and some industry-related events.
7. Equipped with the requisite training, skills, and experience necessary to perform the work described herein.

The Independent Contractor and the Board have the full power and authority to enter into and perform their obligations under this Agreement. This Agreement is a legal, valid, and binding obligation of the Independent Contractor, enforceable against it in accordance with its terms.

COMPENSATION PACKAGE

In full consideration for the performance of the work hereunder, and for any rights granted or relinquished by the Independent Contractor under this Agreement, compensation shall be set at approximately ten (10) hours per week, with a total value not to exceed five thousand one hundred dollars (\$5,100) by June 30, 2017. After the Agreement begins, it is understood that, if additional costs should be incurred or the total yearly value needs to increase, with the mutual written consent of all parties tied to the Agreement and provided resources are available, the Agreement may be amended.

The compensation package for this position will be used to pay for work performed, office supplies, communication equipment, travel costs, and other incidental expenses directly associated with this position.

Payment in the amount of up to five thousand one hundred dollars (\$5,100) from the Winery and Grape Producers Promotional Fund to the Independent Contractor will be payable, in full, by June 30, 2018, upon both parties signature to this Agreement and the Independent Contractor incurring an obligation. On a monthly basis, the Independent Contractor shall present invoices (not to exceed four hundred twenty-five dollars (\$425)) and progress reports outlining the Independent Contractor's activities to NDA from which payments shall be made. Funding for this position is subject to legislative appropriations and funding being available. Any unused funds shall be refunded to NDA and credited back to the Winery and Grape Producers Promotional Fund, unless otherwise agreed. Furthermore, if the Independent Contractor fails to perform as outlined herein, the Independent Contractor shall be required to repay any unearned funds received under this Agreement.

INDEMNIFICATION

The Independent Contractor shall defend, indemnify, hold harmless, and insure the Board from any and all claims and liabilities including costs and legal fees that may arise out of, or on account of, any failure on the part of the Independent Contractor to perform such duties for the Board, as herein specified. This obligation shall survive the expiration or termination of this Agreement.

RECORD KEEPING

The books of account, files, and other records of the Independent Contractor, which are applicable to this Agreement, shall be available for inspection, review, and audit by NDA and the Board to determine the proper application and use of all funds paid to and for the account or benefit of the Independent Contractor.

The Independent Contractor agrees to maintain all books, documents, papers, or other records involving transactions related to this Agreement for a period of five (5) years. If any litigation or audit is begun or a claim is instituted involving the Agreement, the Independent Contractor shall retain the records beyond the five (5) year period until litigation, audit findings, or any claims have been fully resolved and the Board has agreed that such records no longer need to be retained.

The Independent Contractor specifically agrees that funds given to him or her shall be used only for the projects and purposes enumerated herein, and further acknowledges that expenditures shall not be used for political activity.

LEGAL COMPLIANCE

The Independent Contractor shall not:

1. Discriminate against recipients of services on the basis of race, color, religion, national origin, sex, disability, or age; and
2. Discriminate against any employee or applicant for employment on the basis of race, color, religion, national origin, sex, age, or qualified disability.

It is further understood and agreed that, if the Independent Contractor is in violation of this clause, it shall be barred forthwith from receiving further funds, unless a satisfactory showing is made indicating discriminatory practices have terminated and a recurrence of such act or action is unlikely.

All provisions of this Agreement are subject to the Americans with Disabilities Act.

The Independent Contractor is required, and hereby agrees, to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the state of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal

Immigration Reform and Immigrant Responsibility Act of 1998, U.S.C. 1324a, known as the

E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security, or other federal agency authorized to verify the work eligibility status of a newly hired employee.

DRUG-FREE WORKPLACE POLICY

The Independent Contractor agrees to have in force, during the Agreement period, and available for inspection, a policy regarding a drug-free workplace. The policy shall contain:

1. A statement notifying employees that the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited in the Independent Contractor's workplace;
2. The specific actions that will be taken against employees for violating the policy; and
3. A requirement that each employee shall receive a copy of the policy.

TERMINATION

This Agreement may be terminated prior to the completion or achievement of the work by either of the parties hereto at any time by giving thirty (30) calendar days advance written notice to the other party. Any notices to either party, under this Agreement, shall be in writing and delivered by hand or sent by nationally recognized messenger service, or by registered or certified mail, postage prepaid with return receipt requested, to the address of NDA and the Board Chair.

Upon termination by either party, the Independent Contractor shall provide to NDA any and all copies, in whole or in part, of the work (as they exist) and any and all tangible materials the Board and/or NDA provided to the Independent Contractor in connection with this Agreement.

This Agreement is not assignable without the express written approval of the Board and becomes valid upon the date of the final signature.

Approved:

NEBRASKA GRAPE AND WINERY
BOARD

Date

Max McFarland, Board Chairman

RUTH ANDERSON

Date

Ruth Anderson, Independent Contractor

STATUTES

NEBRASKA GRAPE AND WINERY BOARD

- Administration: These statutes create the Nebraska Grape and Winery Board. That Board is given certain duties under these statutes. For administrative purposes, a fund is located in the Nebraska Department of Agriculture. The money in this fund is to be used by the Nebraska Department of Agriculture at the direction of and in cooperation with the board to develop programs that promote the wine industry in Nebraska. See also section 53-123.15 and sections 2-5601 through 2-5605 for information about statutes that provide money for the fund.
- Adoption: The provisions of these statutes were last revised during the 2013 session of the Nebraska Legislature. This reproduction was prepared following that session.
- Rules: The Board is given authority to adopt and promulgate regulations, however, none have yet been developed.

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<u>Section</u>	<u>Subject</u>
53-301	Nebraska Grape and Winery Board; created.
53-302	Board; officers; terms; expenses.
53-303	Board; powers and duties.
53-304	Winery; payments required; Winery and Grape Producers Promotional Fund; created; use; investment.
53-305	Board; annual report.

53-301. Nebraska Grape and Winery Board; created.

- (1) The Nebraska Grape and Winery Board is created. The board shall consist of five members to be appointed by the Governor on a nonpartisan basis. All board members shall be (a) citizens of Nebraska, (b) at least twenty-one years of age, and (c) either engaged in or previously engaged in wine or grape production or research in this state. At least two board members shall be members of the Nebraska Winery and Grape Growers Association. In addition, the Director of Agriculture and the vice chancellor of the University of Nebraska Institute of Agriculture and Natural Resources or their designees shall be ex officio members of the board but shall have no vote in board matters.
- (2) Whenever a vacancy occurs on the board for any reason, the Governor shall appoint an individual to fill such vacancy pursuant to the qualifications set forth in subsection (1) of this section.

53-302. Board; officers; terms; expenses.

- (1) Within thirty days after the appointment of the initial members of the Nebraska Grape and Winery Board, such board shall conduct its first regular meeting. During that meeting, the board members shall elect from among themselves, by majority vote, a

chairperson, vice-chairperson, secretary, and treasurer, all to serve for terms of one year from the date of election. Subsequent board meetings shall take place at least once every six months and at such times as called by the chairperson or by any three board members.

- (2) Each board member shall serve for a term of three years, upon completion of which he or she may, at the Governor's discretion, be reappointed.
- (3) All voting board members shall be reimbursed for their actual and necessary expenses, as provided for in sections 81-1174 to 81-1177, while attending meetings of the board or while engaged in the performance of official responsibilities as determined by the board.
- (4) A board member shall be removable by the Governor for cause. The board member shall first be given a written copy of the charges against him or her and also an opportunity to be heard publicly. In addition to all other causes, the failure of a board member to continue to meet any of the requirements for eligibility set out in section 53-301 shall be deemed sufficient cause for removal from office.

53-303. Board; powers and duties. The duties and responsibilities of the Nebraska Grape and Winery Board include, but are not limited to, the following:

- (1) To establish a public forum whereby any producer of wine, grapes, or other wineproducing agricultural products has the opportunity, at least once annually, to discuss with the board its policy and procedures;
- (2) To keep minutes of its meetings and other books and records which will clearly reflect all of the acts and transactions of the board and to make these records available for examination upon request by members of the public;
- (3) To authorize and approve the Department of Agriculture's expenditure of funds collected pursuant to section 53-304;
- (4) To serve as an advisory panel to the Nebraska Liquor Control Commission in all matters pertaining to the wine industry; and
- (5) To adopt and promulgate rules and regulations to carry out sections 53301 to 53305.

53-304. Winery; payments required; Winery and Grape Producers Promotional Fund; created; use; investment.

Each Nebraska winery shall pay to the Nebraska Liquor Control Commission twenty dollars for every one hundred sixty gallons of juice produced or received by its facility. Gifts, grants, or bequests may be received for the support of the Nebraska Grape and Winery Board. Funds paid pursuant to the charge imposed by this section and funds received pursuant to subsection (4) or (5) of section 53-123.15 and from gifts, grants, or bequests shall be remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund which is hereby created. For administrative purposes, the fund shall be located in the Department of Agriculture. All revenue credited to the fund pursuant to the charge imposed by this section and excise taxes collected pursuant to section 2-5603 and any funds received as gifts, grants, or bequests and credited to the fund shall be used by the department, at the direction of and in cooperation with the board, to develop and maintain programs for the research and advancement of the growing,

selling, marketing, and promotion of grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry. Such expenditures may include, but are not limited to, all necessary funding for the employment of experts in the fields of viticulture and enology, as deemed necessary by the board, and programs aimed at improving the promotion of all varieties of wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Funds credited to the fund shall be used for no other purposes than those stated in this section and any transfers authorized pursuant to section 2-5604. Any funds not expended during a fiscal year may be maintained in the fund for distribution or expenditure during subsequent fiscal years. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

53-305. Board; annual report.

The Nebraska Grape and Winery Board shall make and publish an annual report on or before January 1 of each year, which report shall set forth in detail the following:

- (1) The name and address of each board member and a copy of all rules and regulations adopted and promulgated by the board; and
- (2) A detailed explanation of all programs for which the board approved funding that fiscal year, pursuant to section 53-304, for the research, discovery, promotion, and development of programs for the growing, production, and marketing of Nebraska wines, grapes, fruits, berries, honey, and other agricultural products and their byproducts grown and produced in Nebraska for use in the wine industry.

Each annual report shall be presented to the Nebraska Liquor Control Commission within thirty days after its publication and made available also to any person who requests a copy. Except for the annual copy required by this section to be provided to the commission, the board may charge a nominal fee to cover the costs of printing and postage for making available copies of its annual reports.

NEBRASKA GRAPE EXCISE TAX STATUTES

Administration: These statutes are administered by the Nebraska Department of Agriculture, Finance and Personnel Division. The Nebraska Department of Agriculture is located in the State Office Building, 301 Centennial Mall South, Lincoln, Nebraska 68509, telephone: (402) 471-6817.

Adoption: The provisions of these statutes were initiated during the 2007 session of the Nebraska Legislature. This reproduction was prepared following that session.

Rules: The Department of Agriculture has no authority to adopt and promulgate regulations under these statutes.

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<u>Section</u>	<u>Subject</u>
2-5601	Terms, defined.
2-5602	Excise tax; amount; payment.
2-5603	Excise tax; first purchaser; deduction; records; contents; statement; remitted to State Treasurer.
2-5604.....	Department of Agriculture; calculate costs, report.
2-5605.....	Violation; penalty.

2-5601. Terms, defined. For purposes of sections 2-5601 to 2-5604:

- (1) Commercial channels means the sale or delivery of grapes for any use, except grapes intended for ultimate consumption as table grapes, to any commercial buyer, dealer, processor, or cooperative or to any person, public or private, who resells any grapes or product produced from grapes;
- (2) Delivered or delivery means receiving grapes for utilization or as a result of sale in the State of Nebraska but excludes receiving grapes for storage;
- (3) First purchaser means any person, public or private corporation, association, partnership, or limited liability company buying, accepting for shipment, or otherwise acquiring the property in or to grapes from a grower;
- (4) Grower means any landowner personally engaged in growing grapes, a tenant of the landowner personally engaged in growing grapes, and both the owner and tenant jointly and includes a person, a partnership, a limited liability company, an association, a corporation, a cooperative, a trust, or any other business unit, device, or arrangement; and

- (5) Table grapes means grapes intended for ultimate consumption as produce in fresh, unprocessed form and not intended for wine production, juice production, or drying.

2-5602. Excise tax; amount; payment.

- (1) Except as provided in subsection (2) of this section, an excise tax of one cent per pound is levied upon all grapes sold through commercial channels in Nebraska or delivered in Nebraska. The excise tax shall be paid by the grower at the time of sale or delivery and shall be collected by the first purchaser. Grapes shall not be subject to the excise tax imposed by this section more than once.
- (2) The excise tax imposed by this section shall not apply to the sale of grapes to the federal government for the ultimate use or consumption by the people of the United States when the State of Nebraska is prohibited from imposing such excise tax by the United States Constitution and the laws enacted pursuant thereto.

2-5603. Excise tax; first purchaser; deduction; records; contents; statement; remitted to State Treasurer.

- (1) The first purchaser, at the time of settlement, shall deduct the excise tax imposed by section 2-5602. The excise tax shall be deducted whether the grapes are stored in this state or any other state. The first purchaser shall maintain the necessary records of the excise tax for each purchase or delivery of grapes on the settlement form or check stub showing payment to the grower for each purchase or delivery. Such records maintained by the first purchaser shall provide the following information:
 - a. The name and address of the grower and seller;
 - b. The date of the purchase or delivery;
 - c. The number of pounds of grapes purchased; and
 - d. The amount of excise taxes collected on each purchase or delivery. Such records shall be open for inspection during normal business hours observed by the first purchaser.
- (2) The first purchaser shall render and have on file with the Department of Agriculture by the last day of January and July of each year, on forms prescribed by the department, a statement of the number of pounds of grapes purchased in Nebraska. At the time the statement is filed, such first purchaser shall pay and remit to the department the excise tax imposed by section 2-5602.
- (3) All excise taxes collected by the department pursuant to this section shall be remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund. The department shall remit the excise tax collected to the State Treasurer within ten days after receipt.

2-5604. Department of Agriculture; calculate costs; report.

For each fiscal year beginning with FY2007-08, the Department of Agriculture shall calculate its costs in collecting and enforcing the excise tax imposed by section 2-5602 and shall report such costs to the Department of Administrative Services within thirty days after the end of the calendar quarter. Sufficient funds to cover such costs shall be transferred from the Winery and Grape Producers Promotional Fund to the Management Services Expense Revolving Fund at the end of each calendar quarter. Funds shall be transferred upon the receipt by the

Department of Administrative Services of a report of costs incurred by the Department of Agriculture for the previous calendar quarter.

2-5605. Violation; penalty.

Any person violating sections 2-5601 to 2-5603 shall be guilty of a Class III misdemeanor.

FARM WINERIES STATUTES

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Section	Subject
53-123.10.....	Farm winery license; when issued.
53-123.11.....	Farm winery license; rights of licensee; removal of unsealed bottle of wine; conditions.
53-123.12.....	Farm winery license; application requirements; fees.
53-123.13.....	Farm winery; waiver of requirement; when; conditions.
53-123.15	Shipping license; when required; rights of licensee; application; contents; violation; disciplinary action.

53-123.10 Farm winery license; when issued.

A license to operate a farm winery may be issued by the commission upon an applicant's compliance with section 53-123.12 and such other requirements as the commission adopts and promulgates by rule and regulation to administer §§53-101.02 and 53-123.10 to 53-123.13. Source: Laws 1985, LB 279, § 4.

53-123.11 Farm winery license; rights of licensee; removal of unsealed bottle of wine; conditions.

(1) A farm winery license shall entitle the holder to:

- a. Sell wines produced at the farm winery onsite at wholesale and retail and to sell wines produced at the farm winery at off-premises sites holding the appropriate retail license;
- b. Sell wines produced at the farm winery at retail for consumption on the premises;
- c. Permit a customer to remove one unsealed bottle of wine for consumption off the premises. The licensee or his or her agent shall (A) securely reseal such bottle and place the bottle in a bag designed so that it is visibly apparent that the resealed bottle of wine has not been opened or tampered with and (B) provide a dated receipt to the customer and attach to such bag a copy of the dated receipt for the resealed bottle of wine. If the resealed bottle of wine is transported in a motor vehicle, it must be placed in the trunk of the motor vehicle or the area behind the last upright seat of such motor vehicle if the area is not normally occupied by the driver or a passenger and the motor vehicle is not equipped with a trunk;
- d. Ship wines produced at the farm winery by common carrier and sold at retail to recipients in and outside the State of Nebraska, if the output of such farm winery for each calendar year as reported to the commission by December 31 of each year does not exceed thirty thousand gallons. In the event such amount exceeds thirty thousand gallons, the farm winery shall be required to use a licensed wholesaler to distribute its wines for the following calendar year,

except that this requirement shall not apply to wines produced and sold onsite at the farm winery pursuant to subdivision (1)(a) of this section;

- e. Allow sampling of the wine at the farm winery and at one branch outlet in the state in reasonable amounts;
 - f. Sell wines produced at the farm winery to other Nebraska farm winery licensees, in bulk, bottled, labeled, or unlabeled, in accordance with 27 C.F.R. 24.308, 27 C.F.R. 24.309, and 27 C.F.R. 24.314, as such regulations existed on January 1, 2008; and
 - g. Purchase distilled spirits from licensed microdistilleries in Nebraska, in bulk or bottled, made entirely from Nebraska-licensed farm winery wine to be used in the production of fortified wine at the purchasing licensed farm winery.
- (2) No farm winery shall manufacture wine in excess of fifty thousand gallons per year.
 - (3) A holder of a farm winery license may obtain a special designated license pursuant to section 53-124.11.
 - (4) A holder of a farm winery license may obtain an annual catering license pursuant to section 53-124.12.

Source: Laws 1985, LB 279, § 5; Laws 1991, LB 344, § 23; Laws 1997, LB 479, § 1; Laws 2003, LB 536, § 3; Laws 2006, LB 562, § 3; Laws 2008, LB1103, § 2. Effective date July 18, 2008.

53-123.12 Farm winery license; application requirements; fees.

Any person desiring to obtain a new license to operate a farm winery shall:

- (1) File an application with the commission in triplicate original upon such forms as the commission from time to time prescribes;
- (2) Pay the license fee to the commission under subdivision (2) of section 53124, which fee shall be returned to the applicant if the application is denied; and
- (3) Pay the state registration fee to the commission in the sum of forty-five dollars.

License fees and registration fees may be paid to the commission by certified or cashier's check of a bank within this state, personal or business check, United States post office money order, or cash in the full amount of such fees. The commission shall then notify, by registered or certified mail marked return receipt requested with postage prepaid, the municipal clerk of the city or incorporated village where such license is sought or, if the license is not sought within a city or incorporated village, the county clerk of the county where such license is sought of the receipt of the application and shall enclose with such notice one copy of the application. No such license shall

then be issued by the commission until the expiration of at least forty-five days from the date of mailing such application by the commission. Within thirty-five days from the date of receipt of such application from the commission, the local governing bodies of nearby cities or villages or the county may make and submit to the commission recommendations relative to the granting of or refusal to grant such license to the applicant.

Source: Laws 1985, LB 279, § 7; Laws 1988, LB 1089, § 10; Laws 1991, LB 202, § 2; Laws 2000, LB 973, § 3.

53-123.13 Farm winery; waiver of requirement; when; conditions.

- (1) If the operator of a farm winery is unable to produce or purchase seventy-five percent of the grapes, fruit, or other suitable agricultural products used in the farm winery from within the state due to natural disaster which causes substantial loss to the Nebraska-grown crop, such operator may petition the commission to waive the seventy-five-percent requirement prescribed in subdivision (31) of section 53-103 for one year.
- (2) It shall be within the discretion of the commission to waive the seventy-five percent requirement taking into consideration the availability of products used in farm wineries in this area and the ability of such operator to produce wine from products that are abundant within the state.
- (3) If the operator of a farm winery is granted a waiver, any product purchased as concentrated juice from grapes or other fruits from outside of Nebraska, when reconstituted from concentrate, may not exceed in total volume along with other products purchased the total percentage allowed by the waiver.
- (4) Any product purchased under the waiver or as part of the twenty-five percent of allowable product purchased that is not Nebraska-grown for the production of wine shall not exceed the twenty-five percent volume allowed under state law if made from concentrated grapes or other fruit, when reconstituted. The concentrate shall not be reduced to less than twenty-two degrees Brix in accordance with 27 C.F.R. 24.180.

Source: Laws 1985, LB 279, § 6; Laws 1986, LB 871, § 2; Laws 1989, LB 441, § 5; Laws 1991, LB 344, § 24; Laws 1994, LB 859, § 5; Laws 2004, LB 485, § 13; Laws 2008, LB 1103, §3. Effective date July 18, 2008.

53-123.15 Shipping license; when required; rights of licensee; application; contents; violation; disciplinary action.

- (1) No person shall order or receive alcoholic liquor in this state which has been shipped directly to him or her from outside this state by any person other than a holder of a shipping license issued by the commission, except that a licensed wholesaler may receive not more than three gallons of wine in any calendar year from any person who is not a holder of a shipping license.

- (2) The commission may issue a shipping license to a manufacturer. Such license shall allow the licensee to ship alcoholic liquor only to a licensed wholesaler, except that a licensed wholesaler may, without a shipping license and for the purposes of subdivision (2) of section 53-161, receive beer in this state which has been shipped from outside the state by a manufacturer in accordance with the Nebraska Liquor Control Act to the wholesaler, then transported by the wholesaler to another state for retail distribution, and then returned by the retailer to such wholesaler. A person who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a manufacturer's shipping license. Such fee shall be collected by the commission and be remitted to the State Treasurer for credit to the General Fund.
- (3) The commission may issue a shipping license to any person who deals with vintage wines, which shipping license shall allow the licensee to distribute such wines to a licensed wholesaler in the state. For purposes of distributing vintage wines, a licensed shipper must utilize a designated wholesaler if the manufacturer has a designated wholesaler. For purposes of this section, vintage wine shall mean a wine verified to be ten years of age or older and not available from a primary American source of supply. A person who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a vintage wine dealer's shipping license. Such fee shall be collected by the commission and be remitted to the State Treasurer for credit to the General Fund.
- (4) The commission may issue a shipping license to any person manufacturer who sells and ships alcoholic liquor from another state directly to a consumer in this state if the manufacturer satisfies the requirements of subsections (7) through (9) of this section. A person manufacturer who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a manufacture direct sales shipping license. Such fee shall be collected by the commission and remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund.
- (5) The commission may issue a shipping license to any retailer who is licensed within or outside Nebraska, who is authorized to sell alcoholic liquor at retail in the state of domicile of the retailer, and who is not a manufacturer if such retailer satisfies the requirements of subsections (7) through (9) of this section to ship alcoholic liquor from another state directly to a consumer in this state. A retailer who receives a license pursuant to this subsection shall pay the fee required in sections 53-124 and 53-124.01 for a retail direct sales shipping license. Such fee shall be collected by the commission and remitted to the State Treasurer for credit to the Winery and Grape Producers Promotional Fund.
- (6) The application for a shipping license under subsection (2) or (3) of this section shall be in such form as the commission prescribes. The application shall contain all provisions the commission deems proper and necessary to effectuate the purpose of any section of the act and the rules and regulations of the commission that apply to manufacturers and

shall include, but not be limited to, provisions that the applicant, in consideration of the issuance of such shipping license, agrees:

- a. To comply with and be bound by section sections 53-162 and 53164.01 in making and filing reports, paying taxes, penalties, and interest, and keeping records;
 - b. To permit and be subject to all of the powers granted by section 53164.01 to the commission or its duly authorized employees or agents for inspection and examination of the applicant's premises and records and to pay the actual expenses, excluding salary, reasonably attributable to such inspections and examinations made by duly authorized employees of the commission if within the United States; and
 - c. That if the applicant violates any of the provisions of the application or the license, any section of the act, or any of the rules and regulations of the commission that apply to manufacturers, the commission may revoke or suspend, cancel, or revoke such shipping license for such period of time as it may determine.
- (7) The application for a shipping license under subsection (4) or (5) of this section shall be in such form as the commission prescribes. The application shall require an applicant which is a manufacturer, a craft brewery, a craft distillery, or a farm winery to identify the brands of alcoholic liquor that the applicant is requesting the authority to ship either into or within Nebraska. For all applicants, unless otherwise provided in this section, the application shall contain all provisions the commission deems proper and necessary to effectuate the purpose of any section of the act and the rules and regulations of the commission that apply to manufacturers or retailers and shall include, but not be limited to, provisions that the applicant, in consideration of the issuance of such shipping license, agrees:
- a. To comply with and be bound by sections 53-162 and 53-164.01 in making and filing reports, paying taxes, penalties, and interest, and keeping records;
 - b. To permit and be subject to all of the powers granted by section 53164.01 to the commission or its duly authorized employees or agents for inspection and examination of the applicant's premises and records and to pay the actual expenses, excluding salary, reasonably attributable to such inspections and examinations made by duly authorized employees of the commission if within the United States;
 - c. That if the applicant violates any of the provisions of the application or the license, any section of the act, or any of the rules and regulations of the commission that apply to manufacturers or retailers, the commission may suspend, cancel, or revoke such shipping license for such period of time as it may determine;

- d. That the applicant agrees to notify the commission of any violations in the state in which he or she is domiciled and any violations of the direct shipping laws of any other states. Failure to notify the commission within thirty days after such a violation may result in a hearing before the commission pursuant to which the license may be suspended, canceled, or revoked; and
 - e. That the applicant, if a manufacturer, craft brewery, craft distillery, or farm winery, agrees to notify any wholesaler licensed in Nebraska that has been authorized to distribute such brands that the application has been filed for a shipping license. The notice shall be in writing and in a form prescribed by the commission. The commission may adopt and promulgate rules and regulations as it reasonably deems necessary to implement this subdivision, including rules and regulations that permit the holder of a shipping license under this subdivision to amend the shipping license by, among other things, adding or deleting any brands of alcoholic liquor identified in the shipping license.
- (8) Any manufacturer or retailer who is granted a shipping license under subsection (4) or (5) of this section shall:
- a. Only ship the brands of alcoholic liquor identified on the application;
 - b. Only ship alcoholic liquor that is owned by the holder of the shipping license;
 - c. Only ship alcoholic liquor that is properly registered with the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury;
 - d. Not ship any alcoholic liquor products that the manufacturers or wholesalers licensed in Nebraska have voluntarily agreed not to bring into Nebraska at the request of the commission;
 - e. Not ship more than nine liters of alcoholic liquor per month to any person in Nebraska to whom alcoholic beverages may be lawfully sold. All such sales and shipments shall be for personal consumption only and not for resale; and
 - f. Cause the direct shipment of alcoholic liquor to be by approved common carrier only. The commission shall adopt and promulgate rules and regulations pursuant to which common carriers may apply for approval to provide common carriage of alcoholic liquor shipped by a holder of a shipping license issued pursuant to subsection (4) or (5) of this section. The rules and regulations shall include provisions that require (i) the recipient to demonstrate, upon delivery, that he or she is at least twenty-one years of age, (ii) the recipient to sign an electronic or paper form or other acknowledgement of receipt as approved by the commission, and (iii) the commission-approved common carrier to submit to the commission such information as the commission may prescribe. The commission-approved common

carrier shall refuse delivery when the proposed recipient appears to be under the age of twenty-one years and refuses to present valid identification. All holders of shipping licenses shipping alcoholic liquor pursuant to this subdivision shall affix a conspicuous notice in sixteen-point type or larger to the outside of each package of alcoholic liquor shipped within or into the State of Nebraska, in a conspicuous location, stating: CONTAINS ALCOHOLIC BEVERAGES; SIGNATURE OF PERSON AT LEAST 21 YEARS OF AGE REQUIRED FOR DELIVERY. Any delivery of alcoholic beverages to a minor by a common carrier shall constitute a violation by the common carrier. The common carrier and the holder of the shipping license shall be liable only for their independent acts.

- (9) For purposes of sections 53-160, 77-2703, and 77-27,142, each shipment of alcoholic liquor by the holder of a shipping license under subsection (3), (4), or (5) of this section shall constitute a sale in Nebraska by establishing a nexus in the state. The holder of the shipping license shall collect all the taxes due to the State of Nebraska and any political subdivision and remit any excise taxes monthly to the commission and any sales taxes to the Department of Revenue.
- (10) By July 1, 2014, the commission shall report to the General Affairs Committee of the Legislature the number of shipping licenses issued for license years 2013-14 and 2014-15. The report shall be made electronically.

Source: Laws 1991, LB 344, § 49; Laws 1994, LB 416, § 1; Laws 1995, LB 874, § 1; Laws 2001, LB 671, § 1; Laws 2004, LB 485, § 14; Laws 2007, LB 441, § 1; Laws 2010, LB 861, § 55; Laws 2010, LB 867, § 1; Laws LB 286, § 1; Laws 2013, LB 230, § 1.